

INFORMATION TO OFFERORS OR QUOTERS
SECTION A - COVER SHEET

1. SOLICITATION NUMBER

SP0600-00-R-0073

2. (X one)

a. SEALED OFFER

X b. NEGOTIATED (RFP)

c. NEGOTIATED (RFQ)

INSTRUCTIONS

NOTE THE AFFIRMATIVE ACTION REQUIREMENT OF THE EQUAL OPPORTUNITY CLAUSE WHICH MAY APPLY TO THE CONTRACT RESULTING FROM THIS SOLICITATION.

You are cautioned to note the "Certification of Non-Segregated Facilities" in the solicitation. Failure to agree to the certification will render your reply nonresponsive to the terms of solicitations involving awards of contracts exceeding \$25,000, which are not exempt from the provisions of the Equal Opportunity clause.

"Fill-ins" are provided on the face and reverse of Standard Form 18 and Parts I and IV of Standard Form 33, or other solicitation documents and Sections of Table of Contents in this solicitation and should be examined for applicability.

*See the provision of this solicitation entitled either "Late Bids, Modifications of Bids or Withdrawal of Bids" or "Late Proposals, Modifications of Proposals and Withdrawals of Proposals." NOTE: The new title of this clause is "LATE SUBMISSIONS, MODIFICATIONS AND WITHDRAWALS OF PROPOSALS."

When submitting your reply, the envelope used must be plainly marked with the Solicitation Number, as shown above and the date and local time set forth for bid opening or receipt of proposals in the solicitation document.

If NO RESPONSE is to be submitted, detach this sheet from the solicitation, complete the information requested on reverse, fold, affix postage, and mail. NO ENVELOPE IS NECESSARY.

Replies must be set forth full, accurate, and complete information as required by this solicitation (including attachments). The penalty for making false statements is prescribed in 18 U.S.C. 1001.

3. ISSUING OFFICE (Complete mailing address, including Zip Code)

DEFENSE ENERGY SUPPORT CENTER
ATTN: DESC-APP
8725 JOHN J. KINGMAN ROAD, SUITE 4950
FT. BELVOIR, VA 22060-6222

FAX: 703-767-8506

4. ITEMS TO BE PURCHASED (Brief description)

Privatization of various utility systems at Youngstown Air Reserve Station in Youngstown, Ohio to include Natural Gas, Water, Sanitary Wastewater and Industrial Wastewater.

5. PROCUREMENT INFORMATION (X and complete as applicable)

X a. THIS PROCUREMENT IS UNRESTRICTED

b. THIS PROCUREMENT IS A ___% SET-ASIDE FOR ONE OF THE FOLLOWING (X One). (See Section I of the Table of Contents in this solicitation for details of the set-aside.)

(1) Small Business

(2) Labor Surplus Area Concerns

(3) Combined Small Business/Labor Area Concerns

*****IMPORTANT INFORMATION*****

A. Defense Reform Initiative Directive #49 directed the Military Departments to privatize all utility systems, except where needed for unique security reasons or when privatization is uneconomical. Privatization is described as the total divestiture of a utility system through the transfer and conveyance of the installation's utility infrastructure assets in conjunction with and for the purpose of the conveyee providing utility distribution services on a long-term basis. The successful conveyee under this solicitation shall assume ownership, operation, maintenance, and repair of the Government-owned utility distribution systems.

B. CLOSING: The closing date and time for proposals under this solicitation is 28 Dec 2000 at 3:00 p.m. local time, Fort Belvoir, VA. Offers received at the address herein after the exact time specified for receipt of offers will not be considered as outlined in FAR 52.215-1.

C. Facsimile/electronic offers will not be permitted.

D. Your attention is also directed to DFARS 252.204-7004, Required Contractor Registration (Mar 1998). All perspective offers must be registered in the Central Contractor Registration Program, prior to receiving a Government Award.

7. POINT OF CONTACT FOR INFORMATION

a. NAME (Last, First, Middle Initial)

Workman, Terri A.

b. ADDRESS (Including Zip Code)

DEFENSE ENERGY SUPPORT CENTER
ATTN: DESC-APP

c. TELEPHONE NUMBER (Including Area Code and Extension) (NO COLLECT CALLS) 703-767-8453

8725 JOHN J. KINGMAN ROAD, SUITE 4950
FT. BELVOIR, VA 22060-6222

| | | | |
|------------------------------------------------------------|-----------|------------------------------------------------------------------------------------------------------|-----------------------------|
| 8. REASONS FOR NO RESPONSE (X all that apply) | | | |
| a. CANNOT COMPLY WITH SPECIFICATIONS | | b. CANNOT MEET DELIVERY REQUIREMENTS | |
| c. UNABLE TO IDENTIFY THE ITEM(S) | | d. DO NOT REGULARLY MANUFACTURE OR SELL THE TYPE OF ITEMS INVOLVED | |
| e. OTHER (Specify) | | | |
| 9. MAILING LIST INFORMATION (X one) | | | |
| YES | NO | WE DESIRE TO BE RETAINED ON THE MAILING LIST FOR FUTURE PROCUREMENT OF THE TYPE OF ITEM(S) INVOLVED. | |
| 10. RESPONDING FIRM | | | |
| a. COMPANY NAME | | b. ADDRESS (Including Zip Code) | |
| c. ACTION OFFICER | | | |
| (1) Typed or Printed Name (Last, First, Middle Initial) | (2) Title | (3) Signature | (4) Date Signed (YYMMDD) |

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| SOLICITATION NUMBER | |
| SP0600-00-R-0091 | |
| DATE (YYMMDD) | LOCAL TIME |
| 010104 | 3:00 PM |

TO Defense Energy Support Center
ATTN: DESC-CPC, Room 3729
8725 John J. Kingman Road, Suite 4950
Ft. Belvoir, VA 22060-6222

- E. **BEST VALUE:** Award will be made to the offeror(s) whose proposal represents the “best value” to the Government. Offerors will be evaluated based on established factors/criteria outlined in Section M of the solicitation.
- F. **OFFERORS** are required to submit Technical and Cost proposals, and Past Performance and Socioeconomic information as outlined in Section L of the solicitation. Offerors are also required to submit fully completed Section A – Solicitation/Contract Form, and Section K – Representations, Certifications, and Other statements of Offerors.
- G. **CONTRACT PERIOD:** The period of performance shall not exceed 50 years from the date of award. (or period consistent with the end of the lease agreement stated in the Right of Way documents; see applicable Right of Way attachment.)
- H. **ACKNOWLEDGING AMENDMENTS:** An offeror must acknowledge receipt and acceptance of amendments to the solicitation. You may do this by either signing and returning the amendment immediately after issuance, or by written acknowledgement of receipt and acceptance as part of the proposal submission package.
- I. **PRE-PROPOSAL CONFERENCE:** Pre-proposal conferences will be held shortly following the solicitation issuance. Specific information regarding this conference shall be provided at the following DESC web site:
<http://www.desc.dla.mil/main/a/priv/priv.htm>, or by contacting Lisa Lombard at (703) 767-9404.

In order to make the conference as productive as possible, offerors are requested to submit any questions in writing (electronic mail is preferred) at least four (4) working days in advance of the conference to:

Defense Energy Support Center – DESC APP
ATTN: Jacob R. Moser
8725 John J. Kingman Road, Suite 4950
Fort Belvoir, VA 22060-6222

E-mail: llombard@desc.dla.mil
Fax: (703) 767-9404

- J. **SMALL BUSINESS OFFICE:** For questions regarding small business matters, contact Ms Kathy Williams at the DESC Small Business Office, telephone (703) 767-9400 or 1-800-523-2601.
- K. **RIGHT NOT TO AWARD:** The Government reserves the right not to award any line item solicited in the RFP, if it is determined, after evaluations of offers, that an award would not be in the best interest of the Government.
- L. Copies of this solicitation are available on the DESC web site:
<http://www.desc.dla.mil/main/a/priv/priv.htm>

| | | | | | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------------|---------------|
| SOLICITATION, OFFER AND AWARD | | | | 1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350) | | RATING | | PAGE 1 OF 79 PAGES | |
| 2. CONTRACT NO. | | 3. SOLICITATION NO. SP0600-00-R-0073 | | 4. TYPE OF SOLICITATION [] SEALED BID (IFB) [X] NEGOTIATED (RFP) | | 5. DATE ISSUED SEP 27, 2000 | | 6. REQUISITION/PURCHASE NO. SCO600-00-0712 | |
| 7. ISSUED BY DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FT. BELVOIR, VA 22060-6222 BUYER/SYMBOL: T. WORKMAN, DESC-APP (703) 767-8453 FAX: (703) 767- 8506 | | | | CODE SCO600 | | 8. ADDRESS OFFER TO (If other than item 7) ATTN: BID CUSTODIAN, DESC-CPC, ROOM 3729 DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FT. BELVOIR, VA 22060-6222 | | | |
| NOTE: In sealed bid solicitation "offer" and "offeror mean "bid" and "Bidder". | | | | | | | | | |
| SOLICITATION | | | | | | | | | |
| 9. Sealed offers in original and 6 (3 hard copy and 1 CD) copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in ROOM 3729 until 3:00 PM (hour) local time December 28, 2000 (date) CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L. Provision No. 52.215-1. All offers are subject to all terms and conditions contained in this solicitation. | | | | | | | | | |
| 10. FOR INFORMATION CALL: | | A. NAME TERRI A. WORKMAN | | | B. TELEPHONE NO. (Include Area Code) (NO COLLECT CALLS) (703) 767-8453 | | | | |
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| OFFER (Must be fully completed by offeror) | | | | | | | | | |
| NOTE: ITEM 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period. | | | | | | | | | |
| 12. In compliance with the above, the undersigned agrees, if this offer is accepted within <u> 300 </u> calendar days (60 calendar days unless a different period is inserted by the offer) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule. | | | | | | | | | |
| 13. DISCOUNT FOR PROMPT PAYMENT (See section I, Clause No 52.232-8) | | | 10 CALENDAR DAYS | | 20 CALENDAR DAYS | | 30 CALENDAR DAYS | | CALENDAR DAYS |
| | | | % | | % | | % | | % |
| 14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the solicitation for offerors and related documents numbered and dated. | | | AMENDMENT NO. | | DATE | | AMENDMENT NO. | | DATE |
| | | | | | | | | | |
| 15A. NAME AND ADDRESS OF OFFEROR | | CODE | FACILITY | | 16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print) FAX #- | | | | |
| | | | | | | | | | |
| BIDDER CODE- | | CAGE CODE- | | | | | | | |
| 15B. TELEPHONE NO. (Include area code) | | | 15C. CHECK IF REMITTANCE ADDRESS [] IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE | | | 17. SIGNATURE | | 18. OFFER DATE | |
| AWARD (To be completed by Government) | | | | | | | | | |
| 19. ACCEPTED AS TO ITEM NUMBERED | | | 20. AMOUNT (EST) | | 21. ACCOUNTING AND APPROPRIATION | | | | |
| 22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [] 10 U.S.C. 2304(c)() [] 41 U.S.C. 253(c)() | | | | | 23. SUBMIT INVOICES TO ADDRESS SHOWN IN > (4 copies unless otherwise specified) | | | ITEM | |
| 24. ADMINISTRATION BY (If other than Item 7) | | | CODE | | 25. PAYMENT WILL BE MADE BY | | | CODE | |
| 26. NAME OF CONTRACTING OFFICER (Type of print) | | | | | 27. UNITED STATES OF AMERICA (Signature of Contracting Officer) | | | 28. AWARD DATE | |
| IMPORTANT - Award will be made on this form, or on the Standard Form 26, or by other authorized official written notice. | | | | | | | | | |

Defense Energy Support Center Utilities Privatization

Competitive Solicitation/Request For Proposal For 910 AW Youngstown ARS Youngstown, OH

29 September 2000

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SECTION B

Supplies or Services and Prices/Costs

B.1 Clauses and Provisions

Clauses and provisions from the Federal Acquisition Regulation (FAR) and its supplements are incorporated in this document by reference and in full text. Those incorporated by reference have the same force and effect as if they were given in full text.

Sections K, L, and M will be physically removed from any resultant award but will be deemed to be incorporated, by reference, in that award.

B.2 Scope and Purpose

B.2.1 General

The Government is requesting proposals for the purpose of selling the natural gas, water, and wastewater utility systems located on 910AW Youngstown Air Reserve Station, Ohio. Concurrent with the sale of the utility system the Government will acquire natural gas, water, and wastewater utility service, (hereinafter referred to as utility service) to replace the service currently provided by the Government. The sale of the utility system and the acquisition of utility services are both subject to terms and conditions provided in this request for proposal.

B.2.2 Statutory Directive

The sale of the utility system is authorized by and conducted under 10 USC § 2688. The sale of the utility system is not an acquisition and therefore is not subject to the FAR and its supplements. A copy of 10 USC § 2688 is provided as Attachment J44 to this Request for Proposal (RFP). The acquisition of utility services is an acquisition and will be governed by the FAR and its supplements.

B.2.3 Program Goal

The desired goal of this sale is to transfer all right, title, and interest of the United States in and to the natural gas, water, and wastewater utility systems on 910AW Youngstown Air Reserve Station (ARS), Ohio. Consequently, the United States will retain no reversionary interests in the utility system sold, other than the Right of Way upon its expiration or termination. The sale will be documented by the Bill of Sale, see example Attachment J42 to this RFP. The utility system being sold includes all equipment, fixtures, structures, and other improvements utilized in connection with the utility system which will be more specifically described in Exhibit A of the Bill of Sale. As indicated in the Bill of Sale, the utility system being sold also includes a Right of Way, see example Attachment J41 to this RFP. The divestiture will not include the real property upon, under, or around the utility system. The utility system being sold is as identified in the Bill of Sale and does not include any other property. In addition to the sale of the utility system identified in the Bill of Sale, the Government will also acquire natural gas, water, and wastewater utility services. That acquisition will be conducted in accordance with the FAR and its supplements and as set forth in this RFP. The Contractor shall furnish all necessary labor, management, supervision, permits, equipment, supplies, materials, transportation, and any other incidental services for the complete ownership, operation, maintenance, repair, upgrades, and improvements to these utility systems. The

Youngstown ARS utility system privatization
SPO600-oo-R-0073

Contractor will provide these services in accordance with all terms, conditions, and special contract requirements, specifications, attachments, and drawings contained in this solicitation or incorporated by reference.

B.2.4 Notices and Reservations

B.2.4.1 The Government will only acquire utility services if it sells the utility systems. It can only sell the utility systems if it determines that (1) the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost of the conveyance to the United States, and (2) the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned.

Award, if at all, will only be made by the duly authorized execution of the Bill of Sale, the Right of Way, and the utility service contract.

B.2.4.2 The sale of the utility systems is not governed by the FAR, the Federal Property and Administrative Services Act of 1949, or any of their implementing regulations. The Government may choose to adopt and adapt for use in the sale the processes and methods typically utilized in those laws and regulations, but by doing so is not thereby subjecting the sale to those laws and regulations.

B.2.4.3 The Government reserves the right to make no award to any Offeror.

B.2.4.4 The property being sold in this action will be as described in the Bill of Sale. Any proposal that offers an alternative description of the property being sold is not acceptable; this includes alternatives to the Right of Way, which is a part of the utility system described in the Bill of Sale.

B.2.5 Selection of a Contractor

Selection of a Contractor will be based on a best-value determination consistent with the evaluation factors described in Section M, *Evaluation Factors for Award*. Pursuant to the provisions of L.2, *Information to Offerors*, and FAR 52.215-1, the Government intends to negotiate with all responsible and responsive Offerors who submit proposals within the competitive range. FAR 15.306(c) requires the Procuring Contracting Officer to establish a competitive range comprised of all of the most highly rated proposals. This competitive range may be limited to the greatest number of proposals that will permit an efficient competition. Therefore, Offerors are encouraged to submit their best offer as their initial offer.

B.3 Systems to be Privatized

The contract line item numbers (CLINs), shown in Schedule B-1, represent the utility systems included in this solicitation for privatization:

SCHEDULE B-1
Utility System Contract Line Item Numbers

| Location | Natural Gas | Water | Sanitary Wastewater | Industrial Wastewater |
|----------------------|-------------|-------|---------------------|-----------------------|
| 910AW Youngstown ARS | 0001 | 0002 | 0003 | 0004 |

B.4 Offers for Multiple Systems

This solicitation requires mandatory bundling of the Water Distribution System, Sanitary Wastewater Collection System and the Industrial Wastewater Pretreatment System. The bundled package must include a separate Schedule B-2 for each of the three utility systems for evaluation purposes. Offerors can submit an offer on the Natural Gas System as a stand-alone or they can combine the natural gas offer with the mandatory bundled package. Bundled offers that do not include a separate price for each line item will not be considered for award. For the purposes of the economic comparison required by 10 USC, Section 2688, each system will be analyzed separately. However, bundled offers will not be unbundled for the purposes of evaluation and award.

B.5 Price Proposal

B.5.1 Price Proposal

The Offeror shall complete a schedule B-2 for each utility system included in the proposal. An example of a completed Schedule B-2 is included in Section J, Attachment 40.

SCHEDULE B-2

Utility Service Payment by the Government

(Installation Name)

| CLIN | Utility System | | | |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------------|------------------------------|
| _____ | _____ | | | |
| Sub-CLINS | SUPPLIES/SERVICES | UNIT | MONTHLY SERVICE CHARGE | TOTAL CONTRACT AMOUNT |
| AA | Monthly Credit as Payment for Purchase Price. Dollar amount shown shall include all applicable Taxes (see B.5.2.1, <i>Monthly Credit as Payment for Purchase Price</i>). \$_____ amortized over the first _____ months of service at an interest rate that is (specify either of the following) _____ percentage points above or _____ percentage points below the annual interest rate on U.S. Treasury Bonds in effect at the time of award. ^{a,b,c} | MO | \$(_____) | \$(_____) |
| AB | Fixed Monthly Charge (see B.5.2.2, <i>Service Charges</i>) The Contractor shall provide utility service in accordance with Section C, <i>Descriptions, Specifications, and Work Statement</i> . ^{d,e} | MO | \$ _____ | \$ _____ |

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(Installation Name)

| CLIN | Utility System | | | |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|
| _____ | _____ | | | |
| AC | Monthly Credit to the Government for Delayed Response Times When Servicing the Utility System. (See B.5.2.3, <i>Monthly Credit to the Government</i>). ^f \$_____/hour | | | |

^a The Purchase Price (Sub-CLIN AA), interest rate, and amortization period are proposed by the Offeror.

^b The interest rate on U.S. Treasury Bonds (30-years) is as established in the most recent 30-year bond issue prior to the time of award, and published in the Federal Register. (<http://www.federalreserve.gov/releases/H15/update/>)

^c The total contract amount is calculated by multiplying the monthly service charge by number of months over which the purchase price is amortized.

^d The Offeror should enter the Fixed Monthly Charge, as computed in Schedule L-1. Additions to the Fixed Monthly Charge will be handled in accordance with Section H.10 and Schedule L-3, but should not be included in the price offered for Sub-CLIN AB.

^e The total contract amount is calculated by multiplying the monthly service charge by 600.

^f For proposal purposes the Offeror shall propose only a dollar per hour credit to the Government. During contract performance the hours per month will be determined for each month of service and the total monthly credit will be calculated and credited against the monthly invoice.

B.5.2 Service Charges

B.5.2.1 Sub-CLIN AA – Monthly Credit as Payment for the Purchase Price: The purchase price for the system shall be credited to the Government through a monthly credit against the fixed monthly charge. Monthly credits will be calculated by amortizing the purchase price over the number of months and at an annual interest rate proposed by the Offeror. The total contract amount is calculated by multiplying the monthly service charge by number of months over which the purchase price is amortized. After the time period proposed by the Offeror expires, this portion of the monthly fixed payment will be removed from the cash-flow projection.

B.5.2.2 Sub-CLIN AB – Fixed Monthly Charge: A Fixed Monthly Charge shall be paid for utility distribution (or collection) services. The fixed monthly charge will be multiplied by 600 months to reach the total contract cost. The Fixed Monthly Charge shall include all costs associated with the requirements of this contract. Included are the costs for operations and maintenance (including general and administrative costs) and costs for renewals and replacements as calculated in Schedule L-2. Additionally, capital upgrades as defined by paragraphs H.10.1 and H.10.2 and the recoverable portion of the purchase price as defined by paragraph H.10.3, shall be additive to the Fixed Monthly Charge as allowed by paragraph G.3, *Service Charge Adjustment*.

Prices proposed for Sub-CLIN AB identified in Schedule L-1 shall be based on expected price levels during the first two years of operation. The effect of price inflation on costs incurred in years subsequent to the first 2 years of operation will be considered as part of the price redetermination process defined in Paragraph B.6, *Type of Contract – Fixed – Price Contract with Prospective Price Redetermination*.

B.5.2.3 Sub-CLIN AC - Monthly Credit to the Government: The dollar amount shown in Sub-CLIN AC is a credit to the Government for non-performance of contract requirements and standards. The dollar amount shown in Sub-CLIN AC is to credit the Government for actual response times that fail to meet the requirements as set forth in paragraph C.8, *Routine, Urgent, and Emergency Repair Response*. The dollar amount shown is a dollar amount per hour. These credits are for Contractor delays in response to service calls against criteria established in paragraph C.8. The credit will be made to the Government on the next monthly invoice following the response delay.

B.6 Type of Contract – Fixed – Price Contract with Prospective Price Redetermination

(See FAR 52.216-5 under Clause I.7)

SECTION C

Description/Specifications/Work Statement

C.1 Precedence

FAR clause 52.215-8 notwithstanding, as between the contract (including any provisions incorporated by reference but excluding the Bill of Sale and the Right of Way), and the Bill of Sale and the Right of Way, the provisions of the Bill of Sale and the Right of Way shall prevail should there be any conflict between them and the provisions of the contract. It shall not be considered a conflict that the contract places obligations on the Contractor which exceed those required by the Bill of Sale and the Right of Way with respect to any matter. The Contractor shall nevertheless comply with those obligations of the contract.

C.2 General

C.2.1 Qualified Utility Providers

As defined herein, the Government is seeking qualified utility providers to assume ownership of Government utility system(s) and provide utility service(s). This includes, but is not limited to, the obligation to ensure adequate and dependable utility service(s) to all facilities and equipment served.

This service or services shall comply with all applicable federal, state, interstate, and local laws and regulations, as they may be amended from time to time, including those requirements relating to health, safety and the environment. The Contractor shall modify its service practice as necessary to accomplish such compliance.

If a change in the service requirement necessitated by such compliance constitutes reasonable cause for a change in service charge, the charge will be re-negotiated in accordance with Paragraph G.3, *Service Charge Adjustment*.

C.2.2 Utility Systems

The following attachments are included in Section J and are herein referred to as utility-specific attachments. Each utility-specific attachment provides details specific to each Installation utility system and requirement. Upon contract award(s), the appropriate attachments will be included in the contract and the others will be removed.

C.2.2.1 Air Force Systems

TABLE C.2.2-1
AFB Utility -Specific Attachments

| RFP Attachment | Base | Utility System |
|----------------|----------------------|--------------------|
| J1 | 910AW Youngstown ARS | Natural Gas System |

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TABLE C.2.2-1
AFB Utility - Specific Attachments

| RFP Attachment | Base | Utility System |
|----------------|----------------------|-------------------------------------------|
| J2 | 910AW Youngstown ARS | Water Distribution System |
| J3 | 910AW Youngstown ARS | Sanitary Wastewater System |
| J4 | 910AW Youngstown ARS | Industrial Wastewater Pretreatment System |

C.2.3 Current Service Arrangement

The Installations currently use government-owned facilities to provide utility services. The utility-specific attachments (Section J) describe the current service arrangement for each utility service and define specific requirements.

C.3 Requirement

C.3.1 Utility Service Requirement

Subject to the terms and conditions hereinafter set forth, the Contractor shall furnish all facilities, labor, materials, tools, and equipment necessary to provide the services required by this contract. This contract does not include the purchase of commodities.

The Contractor shall manage, control and perform its operations, maintenance, repairs, replacements, and incidentals of its utility system(s) to provide firm, reliable, and dependable utility service to each Government or tenant connection within the service area 24 hours each and every day. The Contractor shall be responsible for funding all capital investments required to acquire, maintain, and operate its utility system(s) in a safe and reliable condition and to meet all the requirements listed herein.

The Contractor shall obtain and maintain current any and all licenses, permits, or certifications necessary to own, maintain, and operate its utility system(s). Access to its utility system will be as specified in paragraph C.6, *Access to the Utility System*.

C.3.2 Performance Standards

Subject to applicable legal requirements, unless otherwise provided for in this contract, the Contractor shall perform its required service(s) in accordance with the Contractor's proposed Quality Management Plan (QMP) submitted in response to the solicitation and any subsequent revision thereto.

C.3.3 Secondary Metering

The Contractor shall be responsible for reading, maintaining, and calibrating all secondary meters on the utility system(s), including those additional meters identified in the utility-specific attachments (Section J) to be installed by the Contractor. Those additional secondary meters shall be installed within the transition period defined in

paragraph C.13, *Transition Plan*. The Government will use secondary meters for internal installation billing purposes and for commodity management and energy conservation purposes.

Meter reading reports shall be submitted to the recipient identified in the utility-specific attachments (Section J).

All costs for providing, installing, reading, reporting, and maintaining the meters shall be the responsibility of the Contractor. Contractors are encouraged to incorporate remote meter reading technology.

C.3.3.1 Future Secondary Meters

The Contractor shall provide, install, read, maintain, and calibrate secondary meters requested by the Government for any purpose throughout the contract period.

Installation of and responsibility for future secondary meters (not on the system at the time of sale or identified for installation as part of the service contract) may constitute reasonable cause for a service charge adjustment. Any service charge adjustment as a result of these actions will be in accordance with paragraph G.3, *Service Charge Adjustment*.

C.3.3.2 Secondary Meter Calibration

The frequency and accuracy of secondary meter calibration shall be in accordance with the manufacturer's recommendations and any applicable regulations that govern meter calibration.

C.3.4 Energy and Water Efficiencies and Conservation

The Contractor shall strive to provide energy- and water-efficient systems. The Government has an established program for conducting and implementing energy- and water-saving and conservation projects to reduce utility usage and costs. Some of these have resulted in the Government entering into long-term financing arrangements with non-government entities. The utility-specific attachments (Section J) identify any such energy- and water-savings projects that are currently in place for the specific utility system.

The Contractor agrees to take no action that will negatively impact these projects without prior approval of the Administrative Contracting Officer. Additionally, the Government reserves the ability to enter into any future energy- and water-savings projects with the goal of reducing Government costs. The Contractor agrees to take no action that will prohibit or negatively impact implementation of any such future energy- and water-savings projects.

The Contractor is encouraged to propose upgrades to the Government that will increase the overall efficiency of the utility system. Efficiency upgrades shall be proposed to the Government in accordance with paragraph C.11, *Upgrades and Renewals and Replacements*. The Government may consider cost-savings sharing and incentives either through service charge adjustments or lump-sum payments. Service charge adjustments resulting from future efficiency upgrades will be handled in accordance with paragraph G.3, *Service Charge Adjustment*.

C.3.5 Energy/Water Commodity Supply

Natural gas, and water commodity supply is not included in this contract. The Government retains the right to procure or supply natural gas, and/or water, that will be transported on the system(s) covered by this contract from any source. Where a treatment plant is being conveyed, the Contractor shall own all effluent at the point of demarcation as identified in the Right-of-Way. Where no treatment plant is being conveyed, the Government may choose to continue its current source of wastewater treatment (as opposed to collection) unless otherwise negotiated with the contractor. If the Government chooses to continue with its current source of wastewater treatment, it shall own the effluent; if it chooses to have the Contractor provide for wastewater treatment, the Contractor shall own all effluent at the point of demarcation as identified in the Right-of-Way.

C.4 Service Area

The service area is defined as all areas within the Government installation boundaries and any other facilities and property boundaries under the control of the Installation as defined in the utility-specific attachments (Section J). Within the service area and upon the Government's request, the Contractor shall provide utility service to all existing and new customers. At any time, by written order, the Administrative Contracting Officer may designate any location within the service area where utility service under this contract shall commence or be discontinued, subject to the requirements of the Right of Way. Any service charge adjustment as a result of these actions will be in accordance with paragraph G.3, *Service Charge Adjustment*.

C.5 Utility System Ownership, Employees, and Security

C.5.1 Utility System Ownership

C.5.1.1 Utility System

A general description of the utility system(s) assets to be transferred is included in the utility-specific attachments (Section J). Prior to the transfer of title, such facilities shall continue to be owned by the Government. Transfer of title shall be accomplished by Bill of Sale. The Bill of Sale shall provide the complete list of all assets to be sold.

An example of the Bill of Sale is provided in Section J (Attachment J42). The parties shall prepare and execute such additional documents as may be necessary to implement the ownership transfer.

C.5.1.2 Tools, Vehicles, and Equipment

Unless listed in the final Bill of Sale, government-owned tools, vehicles, and equipment that are not a physical part of the utility system and are used by the Government for system operations and maintenance will remain the property of the Government.

C.5.1.3 Contractor Facilities

Unless otherwise provided for in this contract, the Contractor, at its expense, shall acquire, furnish, install, and operate and maintain all facilities required to provide the utility service(s) hereunder. The Contractor shall have title to all facilities it builds and equipment it installs under this contract, except as otherwise specifically provided.

New construction or remodeling existing facilities shall comply with the Installation's architectural standards.

The Contractor shall comply with any request from the Installation regarding the placement of new or renewal utility systems either overhead or underground, unless to do so would cause the Contractor to violate any applicable law or regulation or would be inconsistent with sound utility operational practices. New or renewal utility system upgrades shall be presented to the Government in accordance with paragraph C.11.2, *Capital Upgrades and Renewals and Replacements Plan*.

C.5.1.4 Record Drawings

The Contractor shall maintain record drawings for all existing and new facilities installed by the Contractor within the service area. Upon reasonable request and with reasonable notice, the Government may use and copy such drawings. The Contractor shall provide available drawings to the Government in the form of CAD-CAM disks using the latest release software compatible with Government systems at no cost to the Government. The Contractor will also provide information to allow for updates to the installation Geographical Information System (GIS), as appropriate.

C.5.2 Employees

The Contractor shall not employ any person for work on this contract if such person is identified to the Contractor as a potential threat to the health, safety, security, general well being, or operational mission of the Installation or population.

C.5.2.1 Intentionally Left Blank

C.5.2.2 Employee Certification

The Contractor shall ensure that employees meet all applicable federal, state, local, and installation certification, licensing, and medical requirements to perform all assigned tasks and functions as defined in this contract.

C.5.2.3 Conflict of Interest

The Contractor shall not employ any person who is a U.S. Government employee if employing that person would create a conflict of interest. Additionally, the Contractor shall not employ any person who is an employee of the Government, either military or civilian, unless such person seeks and receives approval according to DODR 5500.7, Joint Ethics Regulations (JER).

C.5.2.4 Employment of Military Personnel

The Contractor is cautioned that off-duty active military personnel hired under this contract may be subject to permanent change of station, changing duty hours, or deployment. Military reservists and National Guard members may be subject to recall to active duty. The abrupt absence of these personnel could adversely affect the Contractor's ability to perform. However, their absence at any time shall not constitute an excuse for nonperformance under this contract.

C.5.2.5 Employment of Quality Assurance Representative Personnel

The Contractor is prohibited from employing Quality Assurance Representatives (QAR) who are responsible for monitoring any contracts/subcontracts awarded to the Contractor.

C.5.2.6 National Agency Check

The Contractor shall provide sufficient information to obtain complete and favorable National Agency Check (NAC) investigations for its employees for unescorted entrance into restricted areas on base. Normal access to the installation shall be in accordance with paragraph C.6, *Access to the Utility System*. The Contractor shall justify to the Installation Security Forces requests for NAC on Contractor employees requiring unescorted entry into restricted areas. Final approval for unescorted entry into restricted areas rests with the Installation Commander.

C.5.2.7 Controlled Access Areas

The Contractor shall apply for personnel security clearances within 5 days after receipt of the facility clearance or within 30 days after award of the contract if the Contractor possesses a facility clearance, whichever is sooner. Personnel requiring access to secured areas or restricted areas under the control of the Installation shall comply with applicable regulations.

C.5.3 Contractor Vehicles

See Right of Way

C.5.4 Contractor Radios

See Right of Way

C.6 Access to the Utility System

Access to the installation and the utility system shall be in accordance with the Right of Way. An example of the Right of Way to be used for each system is included as Section J (Right of Way, Attachment J41).

C.7 Service Interruption/Contingency Plan

The Contractor shall develop and maintain a Service Interruption/Contingency Plan. The Plan shall define procedures and provisions for reacting to all service interruptions.

The Plan shall address possible causes for interruption including, but not necessarily limited to, acts of God, natural disasters, human error, equipment failure, employee strikes, cease and desist orders, and Notice of Violations (NOVs) issued by any regulatory agency. The Procuring Contracting Officer shall approve the Service Interruption/Contingency Plan prior to implementation. The Administrative Contracting Officer shall approve any subsequent revisions, prior to implementation.

The Service Interruption/Contingency Plan should define the following, at a minimum:

- Cause of interruption
- Detailed contingency plan of action (including Government notifications)
- Estimated time for reestablishment of temporary service
- Estimated time for reestablishment of permanent service

C.8 Routine, Urgent, and Emergency Repair Response

The Contractor shall employ sound utility practices to ensure continuous, dependable, and reliable utility service is provided to the Installation 24 hours each day and to minimize the scope and length of any service disruption. In the event of a service request, at a minimum the Contractor shall meet the following requirements defined for routine, urgent, and emergency responses.

Should the Installation, during the term of this contract, have an Emergency Restoration Plan that prioritizes service restoration, the plan may be presented to the Contractor, and the Contractor shall adhere to the priority list established within the plan.

The Contractor shall credit the Government for failure to meet the requirements for Routine, Urgent, and Emergency Repair Response through a deduction to the monthly invoice. This credit shall be as defined by Sub-CLIN AC, *Monthly Credit to the Government for Delayed Response Times*.

C.8.1 Notification Procedures

The Contractor shall have in place mechanisms, means, or procedures by which installation personnel can submit service requests to the Contractor. If there is an order of precedence of phone numbers for Government personnel to call, the Contractor shall determine and clearly define that precedence. The Contractor also shall clearly identify any difference in service request procedures that apply to routine, urgent, and emergency matters.

The Government will be responsible for disseminating such procedures within the Installation. In addition, the Contractor shall provide to the Administrative Contracting Officer the name of the local Project Manager or other responsible person and an alternate with after-hours contacts' telephone numbers.

C.8.2 Emergency Service Requests

An emergency condition is one that is detrimental to the mission of the base, significantly impacts operational effectiveness, or compromises the safety, health, and

life of personnel. Such requests shall include, but are not necessarily limited to, electrical outages, downed power lines, water outages, broken water mains, natural gas outages, natural gas leaks, or wastewater main overflows.

The Contractor shall ensure it is able to receive the Installation's emergency service requests 24 hours a day, every day. Once an emergency request is received, the Contractor shall respond immediately. A representative knowledgeable of the system and the Service Interruption/Contingency Plan shall be on the site of the emergency within 1 hour. Additionally, repair crews appropriately trained to eliminate the condition must respond to the emergency site within 2 hours. Work will be continuous until the emergency condition is eliminated or downgraded and service is restored. All emergencies will be remedied or downgraded to a non-emergency status within 24 hours.

C.8.3 Urgent Service Requests

An urgent condition is not an emergency but significantly hinders performance of Installation activities and requires elimination of potential fire, health, and safety hazards (for example, environmental controls, non-emergency utility leaks, special requests and events, plumbing problems, downgraded emergency responses, etc.).

Once an urgent request is received, the Contractor shall respond with a representative knowledgeable of the system and the Service Interruption/Contingency Plan to the site of the request within 24 hours. All urgent requests will be remedied within 5 calendar days.

C.8.4 Routine Service Requests

A routine service request is one that does not pose an immediate threat to public health, safety, or property, or to a mission or operation conducted at the Installation. Such requests may include, but are not necessarily limited to requests for new or relocated service connections.

The Contractor is not required to respond to the Installation's routine service requests outside normal duty hours. The Contractor may respond to routine service requests outside of normal duty hours at its option and with appropriate coordination. Initial response to any routine service request shall be made within 5 calendar days, and completed within 30 calendar days of receiving the request. After initial response, the Contractor shall pursue completion of routine service requests with due diligence.

C.9 Coordination of Work

C.9.1 Routine Work

Routine work, such as the scheduled repair, replacement, or removal of system components that require service interruption, shall be coordinated with the Contracting Officer's Representative at least 2 weeks prior to commencing work to ensure minimal impact to the mission and operations. The Contractor and Government shall each provide a single point of contact for coordination.

C.9.2 Routine, Urgent, and Emergency Service Requests

Any routine, urgent, or emergency service request by Government personnel shall be reported to the Contractor's service request line or point of contact. Emergency service requests to the Contractor or emergencies identified by the Contractor shall be identified immediately to the Contracting Officer's Representative.

If the request affects building operations, the Contractor shall coordinate all work with the person responsible for the building or facility. The Government shall provide the Contractor with a list of Government representatives and the buildings or facilities for which they are responsible.

The Contractor shall record all service request calls, documenting the time of the call, time of service response, cause of request, and action taken (including time and date completed). Such records shall be retained for 2 years and may be reviewed by the Administrative Contracting Officer upon reasonable request and with reasonable notice.

C.9.3 Connections and Disconnections

The Contractor shall be responsible for adding any additional service points and/or deleting any service points that are no longer required. The Contractor shall coordinate this work with the Contracting Officer's Representative.

If a connection or disconnection constitutes reasonable cause for a change in service charge, the rate will be re-negotiated in accordance with Paragraph G.3, *Service Charge Adjustment*.

C.9.3.1 Temporary Connections

The Contractor shall extend temporary service to the Government or other contractors performing construction projects or other work on the Installation when requested by an authorized Government representative. The Contractor shall coordinate the approved work directly with the respective construction contractor or Administrative Contracting Officer.

Unless otherwise specified by the Administrative Contracting Officer, the Government will not pay for temporary connections or utility usage. However, the Administrative Contracting Officer shall be provided the following information regarding any temporary service connections:

- Name of the Contractor/customer
- Expected duration of the connection
- Description of the connection, including route and type of material

C.9.4 Scheduled Utility Service Interruptions

The Installation reserves the right to reschedule Contractor work requiring service interruption at any time if such interruption might adversely affect the Installation's missions and operations. If an interruption is rescheduled, the parties shall coordinate a mutually acceptable alternative time for the scheduled service interruption.

C.9.5 Excavation Permits

The Contractor shall adhere to the Installation's excavation permit process.

C.9.6 Underground Utility Location

See Right of Way.

C.9.7 Coordination Meetings

The Contractor shall be available for meetings as required by the Administrative Contracting Officer. Following any such meeting the Contracting Officer's Representative will prepare meeting minutes and distribute to the Contractor and Administrative Contracting Officer for review and approval.

C.9.8 Exercises and Crisis Situations Requiring Utility Support

The Contractor shall respond to installation emergency and crisis situations (i.e., hostage situations, bomb threats, etc.) and exercises for emergency and crisis situations that require utility support. The Contractor shall respond to these events as emergency service calls and respond to the emergency situation with qualified personnel and equipment as soon as possible after notification (given a goal of 15 minutes) during normal duty hours. In no case will response be longer than those requirements listed in paragraph C.8.2, *Emergency Service Requests*. The Contractor shall advise and assist the on-scene commander until the event is terminated.

C.10 Environmental Compliance

C.10.1 Permit Compliance

Once ownership of the utility system is transferred, the Contractor shall be the party of record for all environmental permits related to operating the system. Thereafter, the Contractor shall be responsible for obtaining any new or revised permits needed to operate and maintain the utility system. The Government shall remain the party of record and retain responsibility for any applicable permits prior to the transfer of ownership, as defined by paragraph C.13, *Transition Plan*.

C.10.2 Intentionally Left Blank

C.10.3 Spill Contingencies

The Contractor shall adopt the procedures of the Installation Spill Contingency Plan or shall submit to the Administrative Contracting Officer for review and acceptance a Contractor developed Spill Contingency Plan. A Contractor-developed plan shall be developed in accordance with the National Response Team's Integrated Contingency Plan Guidance (<http://www.epa.gov/swercepp/pubs/one-plan.html>).

C.10.4 Hazardous Material and Waste Minimization

Hazardous materials used in utility system operation and maintenance shall be handled in accordance with applicable laws and regulations, Paragraph H.8, *Hazardous Substances*, and the following:

- All hazardous materials used on the Installation shall be accompanied with appropriate Material Safety Data Sheets (MSDS). The Contractor shall submit copies of MSDSs to the Contracting Officer's Representative, and retain a copy of each MSDS onsite.
- The Contractor shall maintain a viable hazardous waste minimization program that includes making every effort to identify non-hazardous or less hazardous materials than those currently in use and recycling versus disposing of consumable wastes.

C.11 Upgrades and Renewals and Replacements

C.11.1 Responsibility

The Contractor shall be responsible for all required upgrades and renewals and replacements to maintain and operate the utility system(s) in a safe, reliable condition, and to meet the requirements of this contract.

C.11.2 Capital Upgrades and Renewals and Replacements Plan

The Contractor shall prepare and submit a Capital Upgrades and Renewals and Replacements Plan that identifies capital upgrades and renewals and replacements the Contractor intends to accomplish. The Plan shall contain a list of capital upgrades and renewals and replacements for each of the next five (5) years. The Plan will be revised, updated, and resubmitted each year to cover the next five (5) years. The Plan's first year's upgrade list shall include detailed information including site plans, prices, upgrade schedules, and a construction impact analysis on installation operations, the environment, and safety requirements. For each succeeding year's Plan submittal, upgrades proposed for accomplishment during the first fiscal year (FY) covered by that Plan shall have detailed upgrade information as outlined above. The remaining four (4) years covered by the Plan shall include upgrade lists with upgrade descriptions, prices, order-of-magnitude estimates, and proposed site plans. The Plan will separately identify and distinguish between Renewals and Replacements, Initial Capital Upgrades, and Future Capital Upgrades. (also see Paragraph C11.2.2.1 for Initial Capital Upgrades)

The work detailed in the Capital Upgrades and Renewals and Replacements Plan will be done at the discretion of the Contractor. To the extent that the Contractor performs such work, the amount recoverable shall be as provided in Paragraphs H.10 and B.5.2.

The Administrative Contracting Officer will review and hold discussions, if necessary, regarding plans for installation development that will impact system requirements.

C.11.2.1 Renewals and Replacements

Renewals and replacements are those repair and replacement activities of the Contractor, other than Capital Upgrades and routine operations and maintenance,

required to maintain the long-term reliable operation of the utility system; this includes, but is not limited to, scheduled maintenance and replacement of portions of the system as part of a systematic management program.

C.11.2.2 Capital Upgrades

Under no circumstances will the Government pay for capital upgrades that are not demonstrated to provide a useful and necessary benefit to the Government or derived from a change in legally applicable regulatory requirements or standards.

C.11.2.2.1 Initial Capital Upgrades

Initial capital upgrades consist of those repair, replacement, and improvement activities of the Contractor required to bring the utility system, as purchased, up to legally applicable regulatory standards or the standards typically maintained by the Contractor on its utility systems so that subsequent renewals and replacements will permit the long-term safe and reliable operation of the utility system. All initial capital upgrades shall be performed within the first five (5) years of this contract. All initial capital upgrades shall be listed in the first submittal of the Capital Upgrades and Renewals and Replacements Plan and will be described, for all five years, in the same detail required for the first year's upgrade list in Paragraph C.11.2.

C.11.2.2.2 Future Capital Upgrades

The Contractor, through the Capital Upgrades and Renewals and Replacements Plan process, can propose upgrades to improve the efficiency of the system or to meet legally applicable regulatory requirements that have changed during the contract term. Capital upgrades may also include the implementation of new technologies. The Government reserves the right to determine at its discretion whether it will pay for any portion of proposed future capital upgrades, other than those required to meet legally applicable regulatory requirements that have changed during the contract term.

C.11.2.3 Requirements and Standards

The Capital Upgrades and Renewals and Replacements Plan shall include an assessment of any new or revised standards that will require system upgrades or modification or affect system operation. The Capital Upgrades and Renewals and Replacements Plan shall clearly address planned system improvements or operational changes needed to comply with any revised standards.

C.11.2.4 Connections and Disconnections

The Capital Upgrades and Renewals and Replacements Plan shall include a list of anticipated new service connections, including a preliminary design and estimated construction costs. The Government will provide a list of new service requirements and anticipated disconnections.

C.11.2.5 Other Information

The Capital Upgrades and Renewals and Replacements Plan shall include such other information the Government may require to assess the long-term condition of the system.

C.11.2.6 Capital Upgrades and Renewals and Replacements Plan Schedule

The Capital Upgrades and Renewals and Replacements Plan shall be submitted to the Administrative Contracting Officer not later than 31 May of each fiscal year for the upcoming fiscal year.

C.12 Quality Management Plan

(See paragraph C.3.2)

C.13 Transition Plan

The Contractor shall prepare and submit an Operational Transition Plan for execution during the transition period. The transition period will begin on contract award and end not more than 30 days following the contract start date. A contract start date should be no more than 90 days after contract award. All system assets shall be transferred in accordance with the Bill of Sale.

This transition period is intended to provide the Contractor time to hire a work force, acquire equipment and materials, perform any operations testing, environmental

surveys, obtain permits, familiarize themselves with the system(s), and initiate efforts for construction, maintenance, improvements, new connections, or installation of meters, and otherwise comply with the various requirements of the contract.

The Operational Transition Plan is subject to final acceptance by the Contracting Officer. Installation and utility-specific transition items are also found in the utility-specific attachments (Section J). The paragraphs below constitute the minimum requirements for the Contractor developed Operational Transition Plan. In no case shall the Government sign off any transition element until the Contractor demonstrates full capability or the element is otherwise completed.

C.13.1 General Information

The Operational Transition Plan shall clearly define all Contractor personnel holding authority to sign for transfer of operations and property. This shall include the name, title, and clear definition of authority or limitations in authority for each person who will sign for acceptance of final transition.

The Operational Transition Plan shall include provisions for weekly meetings with the Administrative Contracting Officer during the final 8 weeks prior to the contract start date. Weekly meetings shall be held to discuss preparation for transition, coordination with Government functions, communication with Government entities, and other issues potentially affecting or affected by the transition. Weekly meetings shall be coordinated with the Contracting Officer's Representative.

C.13.2 System Operation and Maintenance During Transition

The Operational Transition Plan shall establish system operation and maintenance procedures during the transition period. The transition period will take place with the assistance of installation management. Operations during the transition period may include a period of joint operations with the incumbent Government utility personnel. Joint operations, if requested, will start no more than 60 calendar days prior the contract start date and will extend no more than 30 calendar days beyond contract start.

Joint operations shall be divided into two periods. In the first period, the Government will operate the system and will let Contractor personnel observe Government employees to familiarize themselves with the systems. During this period, if needed, a Government employee familiar with the system will be available to answer questions about the system. The Contractor shall have no more than three employees, per installation, per system, observing Government employees on any given day. The first period ends the day before the contract start date.

The Contractor shall assume full responsibility of all operations and maintenance at 12:01 a.m. on the contract start date. At this time, the second period of joint operations shall begin, if needed. The Contractor is expected to fully staff the utility systems beginning at 12:01 a.m. on the contract start date.

The second period of joint operations will be available only if Government employees are available. The Government employees will be available to answer questions about the system and may observe Contractor employees during this period. Government employees will not operate the systems, but will be available only as advisors.

C.13.3 Onsite Familiarization

The Operational Transition Plan may include a period of onsite familiarization for contractor employees. The Contractor shall be limited to five contractor personnel per installation, per system, during the 30 days prior to the contract start date. At least one Government employee will be assigned to be available during normal working hours to indoctrinate contractor personnel on the utility system.

The familiarization time requested and numbers of contractor personnel needing familiarization will be included in the Operational Transition Plan. Onsite training is only an orientation session and is not a technical training course.

C.13.4 System Requirements

The Operational Transition Plan shall provide a plan and schedule for the installation and construction of new connection requirements, new meters, and system improvements.

C.13.4.1 Connection Requirements

The Operational Transition Plan shall include a plan and schedule for the construction of new connections, if identified in the utility-specific attachments (Section J), or any new connections as proposed by the Contractor. The Operational Transition Plan shall include procedures for notification of any related outages. The Operational Transition Plan shall provide the names and phone numbers of responsible persons regarding the construction of new connections.

C.13.4.2 New Meter Requirements

The Operational Transition Plan shall include a plan and schedule for installing new meters, if identified in the utility-specific attachments (Section J), or any new meters as may be proposed by the Contractor. All new meters required by this contract shall be installed within 30 days of the contract start date unless otherwise agreed to by both parties. The Operational Transition Plan shall include procedures for notification of any related outages. The Operational Transition Plan shall provide the names and phone numbers of responsible persons regarding the installation of new meters.

C.13.4.3 System Upgrades

The Operational Transition Plan shall include a plan and schedule for the construction of any system upgrades proposed by the Contractor. The Operational Transition Plan shall include procedures for notification of any related outages. The Operational Transition Plan shall provide the names and phone numbers of responsible persons regarding the construction of system upgrades.

C.13.5 Permits and Procedures

The Government will make initial notification to state agencies regarding the termination or transfer of environmental permits and/or other items, if needed. The Operational Transition Plan shall include a plan and schedule for the transfer or

acquisition of permits as required. It is essential that advanced planning occur and the Contractor initiate the acquisition of permits within 1 week after contract award.

C.13.6 Inventory and Transfer Requirements

Checklists will be the basis for the transfer of operations to the Contractor.

C.13.6.1 Inventory and Transfer of Facilities and Fixed Equipment

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of all facilities and fixed equipment, to include building structures and installed equipment.

C.13.6.2 Inventory and Transfer of Non-fixed Equipment, Spare Parts, and Personal Property

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of personal property transferring from the Government to the Contractor.

C.13.6.3 Transfer of Manuals and Records

The Operational Transition Plan shall include a detailed plan, schedule, and checklist for the joint inventory of all operating manuals, record drawings, plans and specifications, maintenance records, and other such information available for each utility.

C.13.6.4 Joint Inventory

The joint inventory will be completed prior to the contract start date. The final Bill of Sale will be amended to reflect the results of the joint inventory.

C.13.7 Initial Meter Readings

The Operational Transition Plan shall include a description and schedule for joint meter readings for secondary meters in place prior to transition.

C.14 Reserved

Section D

Packaging and Marking

None

SECTION E

Inspection and Acceptance

FAR 52.252-2 Clauses Incorporated by Reference (Feb 1998)

(IAW FAR 52.107(b))

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text.

The full text of a clause may be accessed electronically at these addresses:

<http://farsite.hill.af.mil> (All CLAUSES) and <http://www.arnet.gov/far> (FAR Clauses ONLY [Clauses I-11 through I-750]). (End of Clause)

The following FAR Clause is Incorporated by Reference:

FAR 52.246-4: Inspection of Services -- Fixed-Price (Aug 1996)

IAW FAR 46.401(b), and IAW FAR 46.503

SECTION F

Deliveries or Performance

F.1 Contract Term

The Contractor(s) agrees to furnish, and the Government agrees to purchase, utility distribution and/or collection services, in accordance with the terms and conditions of this solicitation, for a period of 50 years commencing with the date of award. If the Government terminates the contract, whether for convenience or default, the appropriate FAR termination paragraph will apply.

F.2 Commencement of Service

The Contractor shall complete all transitions and be prepared to provide utility services on the contract start date.

F.3 Extension of Contract Performance Period

The current contract performance period may be extended on a month-to-month basis for up to 6 months on the same terms and conditions upon the mutual agreement of the parties. The Government shall furnish to the Contractor notice of its intent to extend the contract at least 45 days prior to the expiration of the initial contract.

However, nothing in this paragraph precludes the Contractor from accepting an extension of the contract if the Government fails to issue the notice within the 45-day timeframe.

F.4 FAR 52.252-2 Clauses Incorporated by Reference (Feb 1998)

(IAW FAR 52.107(b))

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text.

The full text of a clause may be accessed electronically at these addresses:

<http://farsite.hill.af.mil> (All CLAUSES) and <http://www.arnet.gov/far> (FAR Clauses ONLY [Clauses I-11 through I-750]). (End of Clause)

The following FAR Clauses are Incorporated by Reference:

| FAR Paragraph | Clause Title | Date |
|---------------|--------------------------------------------|----------|
| 52.242-15 | Stop Work Order IAW 42.1305(b)(1) | Aug 1989 |
| 52.242-17 | Government Delay of Work IAW 42.1305(d) | Apr 1984 |

SECTION G

Contract Administration Data

G.1 DFARS 252.201-7000: Contracting Officer's Representative Dec 1991

Contracting Officer's Representative means an individual designated in accordance with subsection 201.602-2 of the Department of Defense Federal Acquisition Regulation Supplement and authorized in writing by the Administrative Contracting Officer to perform specific technical or administrative functions.

If the Administrative Contracting Officer designates a Contracting Officer's Representative, the Contractor will receive a copy of the written designation. It will specify the extent of the Contracting Officer's Representative authority to act on behalf of the Administrative Contracting Officer. The Contracting Officer's Representative is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

G.2 Submission and Payment of Invoices

The Government will pay the Contractor for utility service through a Monthly Service Charge (Sub-CLINs AA through AC inclusive). Subject to the provisions for measurement set forth in Section B, utility services will be billed according to the Sub-CLIN items in Schedule B-2 on a monthly basis.

The Contractor shall prepare and send one original invoice and four copies to the Installation for payment by the 25th of each month for the previous month's billing period. Invoices shall be sent to the recipient and address identified in the utility-specific attachments (Section J).

G.3 Service Charge Adjustment

At the request of either party to this contract, and with reasonable cause, the Fixed Monthly Service Charge may be re-negotiated in accordance with B.6, *Type of Contract – Fixed – Price Contract with Prospective Price Redetermination*. This subparagraph applies to the Schedule L-1 components of Sub-CLINs AB included in the Offeror's proposal only. However, neither party shall request a change to Sub-CLIN AB to become effective sooner than 2 years from the date of award in accordance with Paragraph B.6.

For future capital upgrades resulting from changed service requirements, at the request of either party to this contract, and with reasonable cause, the Fixed Monthly Charge may be re-negotiated, at any time, in accordance with Paragraph H-10.

Any changes to charges, terms, or conditions as a result of negotiations shall be made part of this contract by the issuance of a bilateral contract modification. The failure of the parties to agree upon any change after a reasonable period of time shall be a dispute under the Disputes clause of this contract.

G.4 Accounting Procedures

The Contractor shall maintain records of all costs and payments associated with the provision of utility service(s) to the Installation using the National Association of Regulatory Utility Commissioner's (NARUC) Uniform System of Accounts (USOA) or an alternative USOA acceptable to the Government. The USOA may be supplemented by the Contractor's standard accounting procedures and generally recognized accounting practices and principles, as long as such supplemental procedures and practices are consistent with the NARUC (or an accepted alternative) USOA

SECTION H

Special Contract Provisions

H.1 Mobilization and Other Contingencies

Among the circumstances in which the provisions of this paragraph may be invoked is a general or limited military mobilization of forces or an emergency that affects contract performance. In the event of either eventuality, the Contractor will be expected to promptly take whatever measures are needed to meet any new demands placed upon it, to include extended work hours and expansion of the contract work force.

Extra work effort under these circumstances may entitle the Contractor to equitable adjustment under the Changes Clause (52.243-1, Alt 1).

H.2 Insurance Requirements

Note: It is recommended that the Contractor(s) furnish a copy of the following requirements to its insurance company, in order to assure that an insurance certificate is issued meeting the minimum requirements shown.

H.2.1 Insurance Certificate

Contractor shall deliver or cause to be delivered upon execution of this contract (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this contract) to Government a certificate of insurance evidencing the insurance required by this contract.

H.2.2 Types of Insurance

During the entire period this contract shall be in effect, the Contractor, at no expense to the Government, shall carry and maintain or require its contractors performing work on the Premises to carry and maintain:

H.2.2.1 General Liability

See Right of Way

H.2.2.2 Automobile Liability

Comprehensive automobile liability insurance covering the operation of all automobiles used in connection with the performance of the contract in the minimum limits of \$200,000 per person, and \$500,000 per accident for bodily injury, and \$20,000 per accident for property damage.

H.2.2.3 Workers' Compensation and Employer's liability

If and to the extent required by law, workers' compensation and employer's liability or similar insurance in form and amounts required by law but not less than the amount of \$100,000.

H.2.3 General

All policies of insurance which this contract requires the Contractor to carry and maintain or cause to be carried or maintained pursuant to this contract shall be effected under valid and enforceable policies, in such forms and amounts as may, from time to time, be required under this contract, issued by insurers of recognized responsibility. All such policies of insurance shall be for the mutual benefit of Government and Contractor. Each such policy shall provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Contractor or Government or any other person; provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least sixty (60) days after receipt by Government of written notice thereof; provide that the insurer shall have no right of subrogation against Government; and be reasonably satisfactory to Government in all other respects. In no circumstances will Contractor be entitled to assign to any third party rights of action which the Contractor may have against the Government. The foregoing notwithstanding, any cancellation of insurance coverage based on nonpayment of the premium shall be effective upon ten (10) days' written notice to the Government. The Contractor understands and agrees that cancellation of any insurance coverage required to be carried and maintained by the Contractor under this contract will constitute a failure to comply with the terms of this contract.

H.3 Catastrophic Loss

The Contractor(s) shall propose how it plans to protect itself from a catastrophic loss (for example, an earthquake) and/or personal injury due to negligence. If the Contractor(s) has catastrophic insurance, the Contractor(s) shall provide a copy of the coverage to the Administrative Contracting Officer.

H.4 Intentionally Left Blank

H.5 Intentionally Left Blank

H.6 Rights of the Government to Perform Function with Its Own Personnel

The Government reserves the right to perform or supplement performance of contract functions with Government personnel during periods of disaster, war emergencies, police actions, or acts of God affecting the installation. This performance will not constitute a breach of contract on the part of the Contractor.

H.7 Foreign Object Damage Prevention Program

See Right of Way

H.8 Hazardous Substances

The Contractor, at its expense, must comply with all applicable laws on occupational safety and health, the handling and storage of hazardous materials, and the proper handling and disposal of hazardous wastes and hazardous substances generated by its activities. Responsibility for the costs of proper handling and disposal of hazardous wastes and hazardous substances is governed by applicable law. The terms

hazardous materials, hazardous wastes, and hazardous substances are as defined in the Federal Water Pollution Control Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Solid Waste Disposal Act, the Clean Air Act, and the Toxic Substances Control Act, and their implementing regulations, as they may be amended from time to time.

H.9 Contribution in Aid of Construction (CIAC) Tax Liability

The parties hereby recognize that a purchase by the Contractor of Government utility systems at less than fair market value may be treated as a CIAC and therefore taxable income to the Contractor. As a result, the Contractor may incur an associated income tax liability. Any such liability will be the Contractor's responsibility and shall not be the basis for any claim against the Government.

H.10 Accounting for Capital Upgrades/Purchase Price

H.10.1 Initial Capital Upgrades (ref. Paragraph C.11.2.2.1)

The price of each initial capital upgrade proposed by the offeror in Schedule L-3 of the Price Proposal will be added to the Fixed Monthly Charge, for the number of months indicated, when the upgrade is put in useful service. The Fixed Monthly Charge is the monthly service charge for the relevant utility system (the utility system of which the upgrade is a part) stated in Schedule B-2.

The price for each initial capital upgrade is fixed and is not subject to renegotiation under Clause I.7.1. The price for each upgrade will be amortized at the term and interest rate proposed by the offeror in Schedule L-3 of the Price Proposal. With every monthly invoice that includes a request for payment for a capital upgrade identified in Schedule L-3, the Contractor shall submit an amortization schedule. The amortization schedule shall specify for each upgrade the additional monthly payment to be included in the Fixed Monthly Charge, the number of the payment (of the total payments required), the applicable interest rate and the remaining principal.

H.10.2 Future Capital Upgrades (ref. C.11.2.2.2)

Future capital upgrades for which the Government agrees to pay in accordance with Paragraph C11.2.2.2 will be added to the Fixed Monthly Charge for the number of months agreed upon when the upgrade is put in useful service. With every monthly invoice that includes a request for payment for such an upgrade, the contractor will include an amortization schedule. The amortization schedule shall specify for each upgrade the additional monthly payment included in the Fixed Monthly Charge, the number of the payment (of the total payments required), the applicable interest rate and the remaining principal.

H.10.3 Recoverable Portion of the Purchase Price

The recoverable portion of the utility system purchase price will be added to the Fixed Monthly Charge for the relevant utility system. The recoverable portion of the purchase price will be amortized at the term and interest rate proposed by the offeror in Schedule L-3. With every monthly invoice that includes a request for payment of the recoverable

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portion of the purchase price, the contractor shall submit an amortization schedule which shall specify the additional monthly payment included in the Fixed Monthly Charge, the number of the payment (of the total payments required), the applicable interest rate and the remaining principal.

SECTION I

Contract Clauses

1.1 FAR 52.252-2 Clauses Incorporated by Reference (Feb 1998)

(IAW FAR 52.107(b))

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text.

The full text of a clause may be accessed electronically at these addresses:

<http://farsite.hill.af.mil> (All CLAUSES) and <http://www.arnet.gov/far> (FAR Clauses ONLY [Clauses I-11 through I-750]). (End of Clause)

1.2 FAR Clauses

The following FAR clauses are incorporated by reference:

| FAR Paragraph | Clause Title | Date |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 52.202-1 | Definitions (IAW FAR 2.201) | Oct 1995 |
| 52.203-3 | Gratuities (IAW FAR 3.202) | Apr 1984 |
| 52.203-5 | Covenant against Contingent Fees (IAW FAR 3.404) | Apr 1984 |
| 52.203-6 | Restrictions on Subcontractor Sales to the Government (IAW FAR 3.503-2) | Jul 1995 |
| 52.203-7 | Anti-Kickback Procedures (IAW FAR 3.502-3) | Jul 1995 |
| 52.203-8 | Cancellation, Recission, and Recovery of Funds for Illegal or Improper Activity (IAW FAR 3.104-9[a]) | Jan 1997 |
| 52.203-10 | Price or Fee Adjustment for Illegal or Improper Activity (IAW FAR 3.104-9[b]) | Jan 1997 |
| 52.203-12 | Limitation on Payments to Influence Certain Federal Transactions (IAW FAR 3.808[b]) | Jun 1997 |
| 52.204-4 | Printing/Copying Double-Sided on Recycled Paper (IAW FAR 4.304) | Jun 1996 |
| 52.207-3 | Right of First Refusal of Employment (IAW FAR 7.305[c]) | Nov 1991 |
| 52.209-6 | Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (IAW FAR 9.409[b]) | Jul 1995 |
| 52.215-2 | Audit and Records - - Negotiations (IAW FAR 15.209 [b]) | Jun 1999 |

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| FAR Paragraph | Clause Title | Date |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------|
| 52.215-8 | Order of Precedence – Uniform Contract Format (IAW FAR15.209(h)) See Section C.1 of contract | Oct 1997 |
| 52.215-11 | Price Reduction for Defective Cost or Pricing Data—Modifications (IAW FAR 15.408[c]) | Oct 1997 |
| 52.215-13 | Subcontractor Cost or Pricing Data—Modifications (IAW FAR 15.408[e]) | Oct 1997 |
| 52.215-21 | Requirement for Cost or Pricing Data or Information other than Cost or Pricing (IAW FAR 15.408[m]) | Oct 1997 |
| 52.219-4 | Notice of Price Evaluation for Hubzone Small Business Concerns (IAW FAR 19.1308[b]) | Jan 1999 |
| 52.219-8 | Utilization of Small Business Concerns (IAW FAR 19.708[a]) | Oct 1999 |
| 52.219-9 | Small Business Subcontracting Plan (IAW FAR 19.708[b]) | Oct 1999 |
| 52.219-9 | Alternate II (IAW FAR 19.708[b][1]) | Jan 1999 |
| 52.219-16 | Liquidated Damages—Subcontracting Plan (IAW FAR 19.708[b][2]) | Jan 1999 |
| 52.219-25 | Small Disadvantaged Business participation Program-Disadvantaged Status and Reporting. (IAW FAR 19.1204(b)) | Oct 1999 |
| 52.222-1 | Notice to the Government of Labor Disputes (IAW FAR 22.101-1[e] and 22.103-5[a]) | Feb 1997 |
| 52.222-3 | Convict Labor (IAW FAR 22.202) | Aug 1996 |
| 52.222-4 | Contract Work Hours and Safety Standards Act - - Overtime Compensation (IAW FAR 22.305) | Jul 1995 |
| 52.222-21 | Prohibition of Segregated Facilities (IAW FAR 22.810[a][1]) | Feb 1999 |
| 52.222-26 | Equal Opportunity (IAW FAR 22.810[e]) | Feb 1999 |
| 52.222-35 | Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (IAW FAR 22.1308[a][1] and DFARS 22.1308[a][1]) | Apr 1998 |
| 52.222-36 | Affirmative Action for Workers with Disabilities (IAW FAR 22.1408[a]) | Jun 1998 |
| 52.222-37 | Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (IAW FAR 22.1308[b]) | Jan 1999 |
| 52.223-5 | Pollution Prevention and Right-to-Know Information (IAW FAR 23.1005) | Apr 1998 |

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| FAR Paragraph | Clause Title | Date |
|---------------|---------------------------------------------------------------------------------------------------|----------------------|
| 52.223-6 | Drug-Free Workplace (IAW FAR 23.505) | Jan 1997 |
| 52.223-12 | Refrigeration Equipment And Air Conditioners (IAW FAR 23.804[b]) | May 1995 |
| 52.223-14 | Toxic Chemical Release Reporting (IAW FAR 23.907[b]) | Oct 1996 |
| 52.226-1 | Utilization of Indian Organizations and Indian-Owned Economic Enterprises (IAW FAR 26.104[a]) | Jun 2000 |
| 52.227-1 | Use and Authorization (IAW FAR 27.201-2[a]) | Jul 1995 |
| 52.228-5 | Insurance-Work on a Government Installation (IAW FAR 28.310) | Jan 1997 |
| 52.229-3 | Federal, State, and Local Taxes (IAW FAR 29.401-3) | Jan 1991 |
| 52.229-5 | Taxes - - Contracts Performed in U.S. - - Possessions or Puerto Rico (IAW FAR 29.401-5) | Apr 1984 |
| 52.232-1 | Payments (IAW FAR 32.111[a][1]) | Apr 1984 |
| 52.232-8 | Discounts for Prompt Payment (IAW FAR 32.111[c][1]) | May 1997 |
| 52.232-11 | Extras (IAW FAR 32.111[d][2])) | Apr 1984 |
| 52.232-17 | Interest (IAW FAR 32.617[a] and 32.617[b]) | Jun 1996 |
| 52.232-18 | Availability of Funds (IAW FAR 32.705-1[a]) | Apr 1984 |
| 52.232-23 | Assignment of Claims (IAW FAR 32.806[a][1]) | Jan 1986 |
| 52.232-25 | Prompt Payment (IAW FAR 32.908[c]) | Jun 1997 |
| 52.232-33 | Payment by Electronic Funds Transfer --Central Contractor Registration (IAW FAR 32.1110[A][1]) | May 1999 |
| 52.233-1 | Disputes (IAW FAR 33.215) (Alt 1) | Dec 1998 Dec 1991 |
| 52.233-3 | Protest after Award (IAW FAR 33.106[b]) | Aug 1996 |

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| FAR Paragraph | Clause Title | Date |
|---------------|-------------------------------------------------------------------------------------------|----------|
| 52.237-2 | Protection of Government Buildings, Equipment, and Vegetation (IAW FAR 37.110[b]) | Apr 1984 |
| 52.237-3 | Continuity of Services (IAW FAR 37.110[c]) | Jan 1991 |
| 52.242-1 | Notice of Intent to Disallow Costs (IAW FAR 42.802) | Apr 1984 |
| 52.242-13 | Bankruptcy (IAW FAR 42.903) | Jul 1995 |
| 52.243-1 | Changes – Fixed-Price – Alternate I (IAW FAR 43.205[a][2]) | Apr 1984 |
| 52.249-2 | Termination for Convenience of the Government (Fixed Price) (IAW FAR 49.502[b][1][ii]) | Sep 1996 |
| 52.249-8 | Default (Fixed Price Supply and Service) (IAW FAR 49.504[a][1]) | Apr 1984 |
| 52.252-6 | Authorized Deviations in Clauses (IAW FAR 52.107[f]) | Apr 1984 |

1.3 DFARS Clauses Incorporated by Reference

The use in this solicitation or contract of any Defense Federal Acquisition Regulation Supplement (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

The following DFAR clauses are incorporated by reference:

| DFARS Paragraph | Clause Title | Date |
|-----------------|-----------------------------------------------------------------------------------------------------------------------|----------|
| 252.203-7001 | Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (IAW DFARS 203.570-5) | Mar 1999 |
| 252.203-7002 | Display of DoD Hotline Poster (IAW DFARS 203.7002) | Dec 1991 |
| 252.204-7000 | Disclosure of Information (IAW DFARS 204.404-70[a]) | Dec 1991 |
| 252.204-7003 | Control of Government Personnel Work Product (IAW DFARS 204.404-70[b]) | Apr 1992 |
| 252.204-7004 | Required Central Contractor Registration (IAW DFARS 252.204-7304) | Mar 2000 |
| 252.205-7000 | Provision of Information to Cooperative Agreement Holders (IAW DFARS 205.470-2) | Dec 1991 |
| 252.209-7000 | Acquisition from Subcontractors Subject to Onsite Inspection under the Intermediate-Range Nuclear Forces (INF) Treaty | Nov 1995 |

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| DFARS Paragraph | Clause Title | Date |
|-----------------|-------------------------------------------------------------------------------------------------|----------|
| | (IAW DFARS 209.103-70) | |
| 252.209-7001 | Disclosure of Ownership or Control by the Government of a Terrorist Country | Mar 1998 |
| | (IAW DFARS 209.104-70[a]) | |
| 252.209-7003 | Compliance with Veterans' Employment Reporting Requirements | Mar 1998 |
| | (IAW DFARS 209.104-70[c]) | |
| 252.209-7004 | Subcontracting with Firms that Are Owned or Controlled by the Government of a Terrorist Country | Mar 1998 |
| | (IAW DFARS 209.409) | |
| 252.215-7000 | Pricing Adjustments | Dec 1991 |
| | (IAW DFARS 215.408[1]) | |
| 252.219-7003 | Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DoD Contracts) | Apr 1996 |
| | (IAW DFARS 219.708[B][1][a]) | |
| 252.223-7004 | Drug-Free Work Force | Sep 1988 |
| | (IAW DFARS 223.570-4[a]) | |
| 252.223-7006 | Prohibition on Storage and Disposal of Toxic and Hazardous Materials | Apr 1993 |
| | (IAW DFARS 223.7103[a]) | |
| 252.225-7031 | Secondary Arab Boycott of Israel | Jun 1992 |
| | (IAW DFARS 225.770-5) | |
| 252.231-7000 | Supplemental Cost Principals | Dec 1991 |
| | (IAW DFARS 231.100-70) | |
| 252.235-7003 | Frequency Authorization | Dec 1991 |
| | (IAW DFARS 235.071[b]) | |
| 252.236-7005 | Airfield Safety Precautions | Dec 1991 |
| | (IAW DFARS 236.570[b][3]) | |
| 252.241-7001 | Government Access | Dec 1991 |
| | (IAW DFARS 241.501-70[b]) | |
| 252.242-7000 | Post-award Conference | Dec 1991 |
| | (IAW DFARS 242.570) | |
| 252.243-7001 | Pricing of Contract Modifications | Dec 1991 |
| | (IAW DFARS 243.205-71) | |
| 252.243-7002 | Requests for Equitable Adjustment | Mar 1998 |
| | (IAW DFARS 243.205-72) | |
| 252.247-7023 | Transportation of Supplies by Sea | Mar 2000 |
| | (IAW DFARS 247.573[b]) | |

1.4 AFFARS Clauses Incorporated by Reference

The following AFFAR clauses are incorporated by reference:

| AFFARS Paragraph | Clause Title | Date |
|-------------------------|-------------------------------------------------------------------------------------------|-------------|
| 5352.223-9000 | Elimination of Use of Class I Ozone Depleting Substances (ODS) (IAW AFFARS 5323.890-7) | May 1996 |
| 5352.223-9001 | Health and Safety on Government Installations (IAW AFFARS 5323.9002) | Jun 1997 |
| 5352.237-9000 | Control and Release of Inspector General Reports (IAW AFFARS 5337.110) | May 1996 |
| 5352.242-9000 | Contractor Access to Air Force Installations (IAW AFFARS 5342.490-1) | May 1996 |

1.5 Non-Regulated Utility Clauses Incorporated by Reference

The following FAR clauses are incorporated by reference if award is made to an entity that is not subject to rate regulation.

| Paragraph | Clause Title | Date |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 52.222-41 | Service Contract Act of 1965, as amended (IAW 22.1006[a]) | May 1989 |
| 52.222-44 | Fair Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option Contracts) (IAW 22.1006[c][2]) | May 1989 |
| 52.230-2 | Cost Accounting Standards (IAW FAR 30.201-4[a]) | Apr 1998 |
| 52.230-3 | Disclosure and Consistency of Cost Accounting Standards (IAW FAR 30.201-4[b][1]) | Apr 1998 |
| 52.230-6 | Administration of Cost Accounting Standards (IAW FAR 30.201-4[d]) | Nov 1999 |

1.6 Regulated Utility Clauses Incorporated by Reference

The following FAR clauses are incorporated by reference if award is made to an entity that is subject to rate regulation.

| Paragraph | Clause Title | Date |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 52.241-4 | Change in Class of Service (IAW FAR 41.501[c][3]) | Feb 1995 |
| 52.241-7 | Change in Rates or Terms and Conditions of Service for Regulated Services (IAW FAR 41.501[d][1]) For the purposes of this clause the blank(s) is/are completed as follows: <u>To be determined.</u> | Feb 1995 |
| 52.241-12 | Non-Refundable, Nonrecurring Service Charge | Feb 1995 |

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(IAW FAR 41.501[d][6])

For the purposes of this clause the blank(s) is/are completed as follows:
Nonrefundable, nonrecurring charge for TBD in the amount of TBD dollars payable.

I.7 Other Clauses

I.7.1 FAR 52.216-5: Price Redetermination – Prospective (Oct 1997)

(USER NOTE: Deviation – Pending approval from USD(AT&T)DP)

(a) *General.* The unit prices and the total price stated in this contract shall be periodically redetermined in accordance with this clause, except that --

- (1) The prices for supplies delivered and services performed before the first effective date of price redetermination (see paragraph (c) of this clause) shall remain fixed; and
- (2) In no event shall the total amount paid under this contract exceed any ceiling price included in the contract.

(b) *Definition.* "Costs," as used in this clause, means allowable costs in accordance with Part 31 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract. *(User note: Proposed deviation language, "This definition only applies to unregulated utility providers.")*

(c) *Price redetermination periods.* For the purpose of price redetermination, performance of this contract is divided into successive periods. The first period shall extend from the date of the contract to two years after the initial date of contract performance, and the second and each succeeding period shall extend for 36 months from the end of the last preceding period, except that the parties may agree to vary the length of the final period. The first day of the second and each succeeding period shall be the effective date of price redetermination for that period.

(d) *Data submission.*

- (1) Not more than **120 days** nor less than 90 days before the end of each redetermination period, except the last, the Contractor shall submit --

- (i) Proposed prices for supplies that may be delivered or services that may be performed in the next succeeding period, and --

- (A) An estimate and breakdown of the costs of these supplies or services in the format of Table 15-2, FAR 15.408, or in any other form on which the parties may agree;

- (B) Sufficient data to support the accuracy and reliability of this estimate; and

- (C) An explanation of the differences between this estimate and the original (or last preceding) estimate for the same supplies or services; and

- (ii) A statement of all costs incurred in performing this contract through the end of the first month before the submission of proposed prices in the format of Table 15-2, FAR 15.408 (or in any other form on which the parties may agree), with sufficient supporting data to disclose unit costs and cost trends for --

- (A) Supplies delivered and services performed; and

- (B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary).

- (2) The Contractor shall also submit, to the extent that it becomes available before negotiations on redetermined prices are concluded --

- (i) Supplemental statements of costs incurred after the date stated in subdivision (d)(1)(ii) of this section for --

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- (A) Supplies delivered and services performed; and
- (B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary); and

(ii) Any other relevant data that the Contracting Officer may reasonably require.

(3) If the Contractor fails to submit the data required by subparagraphs (d)(1) and (2) of this section, within the time specified, the Contracting Officer may suspend payments under this contract until the data are furnished. If it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the data submittal period, the amount of the excess shall bear interest, computed from the date the data were due to the date of repayment, at the rate established in accordance with the Interest clause.

(e) *Price redetermination.* Upon the Contracting Officer's receipt of the data required by paragraph (d) of this section, the Contracting Officer and the Contractor shall promptly negotiate to redetermine fair and reasonable prices for supplies that may be delivered or services that may be performed in the period following the effective date of price redetermination.

(f) *Contract modifications.* Each negotiated redetermination of prices shall be evidenced by a modification to this contract, signed by the Contractor and the Contracting Officer, stating the redetermined prices that apply during the redetermination period.

(g) *Adjusting billing prices.* Pending execution of the contract modification (see paragraph (f) of this section), the Contractor shall submit invoices or vouchers in accordance with the billing prices stated in this contract. If at any time it appears that the then-current billing prices will be substantially greater than the estimated final prices, or if the Contractor submits data showing that the redetermined price will be substantially greater than the current billing prices, the parties shall negotiate an appropriate decrease or increase in billing prices. Any billing price adjustment shall be reflected in a contract modification and shall not affect the redetermination of prices under this clause. After the contract modification for price redetermination is executed, the total amount paid or to be paid on all invoices or vouchers shall be adjusted to reflect the agreed-upon prices, and any requested additional payments, refunds, or credits shall be made promptly.

(h) *Quarterly limitation on payments statement.* This paragraph (h) applies only during periods for which firm prices have not been established.

(1) Within 45 days after the end of the quarter of the Contractor's fiscal year in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and for each quarter thereafter, the Contractor shall submit to the contract administration office (with a copy to the contracting office and the cognizant contract auditor) a statement, cumulative from the beginning of the contract, showing --

- (i) The total contract price of all supplies delivered (or services performed) and accepted by the Government and for which final prices have been established;
- (ii) The total costs (estimated to the extent necessary) reasonably incurred for, and properly allocable solely to, the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established;
- (iii) The portion of the total interim profit (used in establishing the initial contract price or agreed to for the purpose of this paragraph (h)) that is in direct proportion to the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established; and
- (iv) The total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).

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(2) The statement required by subparagraph (h)(1) of this section need not be submitted for any quarter for which either no costs are to be reported under subdivision (h)(1)(ii) of this section, or revised billing prices have been established in accordance with paragraph (g) of this section, and do not exceed the existing contract price, the Contractor's price-redetermination proposal, or a price based on the most recent quarterly statement, whichever is least.

(3) Notwithstanding any provision of this contract authorizing greater payments, if on any quarterly statement the amount under subdivision (h)(1)(iv) of this section exceeds the sum due the Contractor, as computed in accordance with subdivisions (h)(1)(i), (ii), and (iii) of this section, the Contractor shall immediately refund or credit to the Government the amount of this excess. The Contractor may, when appropriate, reduce this refund or credit by the amount of any applicable tax credits due the Contractor under 26 U.S.C.1481 and by the amount of previous refunds or credits affected under this clause. If any portion of the excess has been applied to the liquidation of progress payments, then that portion may, instead of being refunded, be added to the unliquidated progress payment account, consistent with the Progress Payments clause. The Contractor shall provide complete details to support any claimed reductions in refunds.

(4) If the Contractor fails to submit the quarterly statement within 45 days after the end of each quarter and it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the statement submittal period, the amount of the excess shall bear interest, computed from the date the quarterly statement was due to the date of repayment, at the rate established in accordance with the Interest clause.

(i) *Subcontracts*. No subcontract placed under this contract may provide for payment on a cost-plus-a-percentage-of-cost basis.

(j) *Disagreements*. If the Contractor and the Contracting Officer fail to agree upon redetermined prices for any price redetermination period within **60 days** (or within such other period as the parties agree) after the date on which the data required by paragraph (d) of this section are to be submitted, the Contracting Officer shall promptly issue a decision in accordance with the Disputes clause. For the purpose of paragraphs (f), (g), and (h) of this section, and pending final settlement of the disagreement on appeal, by failure to appeal, or by agreement, this decision shall be treated as an executed contract modification. Pending final settlement, price redetermination for subsequent periods, if any, shall continue to be negotiated as provided in this clause.

(k) *Termination*. If this contract is terminated, prices shall continue to be established in accordance with this clause for

(1) completed supplies and services accepted by the Government and

(2) those supplies and services not terminated under a partial termination. All other elements of the termination shall be resolved in accordance with other applicable clauses of this contract.

I.7.2 FAR 52.222-42: Statement of Equivalent Rates for Federal Hires (May 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service for employees expected to be employed under the contract. This clause also states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 USC 5341 or 5332.

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This statement is for information only; it is not a wage determination.

| EMPLOYEE CLASS | MONETARY WAGE - FRINGE BENEFITS |
|-----------------|---------------------------------|
| <u>SEE</u> | |
| <u>ATTACHED</u> | |

I.7.3 FAR 52.244-6: Subcontracts for Commercial Items and Commercial Components (October 1998)

Commercial item, as used in this clause, has the meaning contained in the clause at 52.202-1. *Subcontract*, as used in this clause, includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or non-developmental items as components of items to be supplied under this contract.

Notwithstanding any other clause of this contract, the Contractor is not required to include any FAR provision or clause, other than those listed below to the extent they are applicable and as may be required to establish the reasonableness of prices under Part 15, in a subcontract at any tier for commercial items or commercial components:

- 52.222-26: Equal Opportunity (EO 11246)
- 52.222-35: Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 USC 4212[a])
- 52.222-36: Affirmative Action for Workers with Disabilities (29 USC 793)
- 52.247-64: Preference for Privately Owned U.S.-Flagged Commercial Vessels (46 USC 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

The Contractor shall include the terms of this clause, including this paragraph, in subcontracts awarded under this contract.

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SECTION J

List of Attachments

TABLE J.1-1

Installation- and Utility-Specific Attachments to RFP in Case of Multiple Contract Awards

| RFP Attachment | Base/Item | Utility System |
|----------------|--------------------------------|----------------------------------------------|
| J1 | 910AW Youngstown ARS | Natural Gas System |
| J2 | 910AW Youngstown ARS | Water Distribution System |
| J3 | 910AW Youngstown ARS | Sanitary Wastewater System |
| J4 | 910AW Youngstown ARS | Industrial Wastewater Pretreatment System |
| J5-J39 | Reserved | |
| J40 | Example Completed Schedule B-2 | |
| J41 | Example R-O-W | |
| J42 | Example Bill of Sale | |
| J43 | N/A | |
| J44 | 10 USC 2688 | |
| J45 | Wage Rate Determination | |

SECTION K

Representations, Certifications, and other Statements of Offerors

52.203-2 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (APR 1985)

- (a) The offeror certifies that--
- (1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;
 - (2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
 - (3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.
- (b) Each signature on the offer is considered to be a certification by the signatory that the signatory--
- (1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or
 - (2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above _____ [insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization];
 - (ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and
 - (iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above.
- (c) If the offeror deletes or modifies subparagraph (a)(2) above, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

(End of provision)

52.203-11 -- Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions. (Apr 1991)

- (a) The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions, included in this solicitation, are hereby incorporated by reference in paragraph (b) of this certification.
- (b) The offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that on or after December 23, 1989 --

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(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and

(3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

(End of provision)

52.204-3 TAXPAYER IDENTIFICATION (OCT 1998)

(a) DEFINITIONS.

Common parent, as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

Taxpayer Identification Number (TIN), as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(b) All offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(d) TAXPAYER IDENTIFICATION NUMBER (TIN).

☐ TIN: _____.

☐ TIN has been applied for.

☐ TIN is not required because--

☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the

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United States and does not have an office or place of business
or a fiscal paying agent in the United States;

- ☐ Offeror is an agency or instrumentality of a foreign government;
☐ Offeror is an agency or instrumentality of the Federal
Government.

(e) **TYPE OF ORGANIZATION.**

- ☐ Sole proprietorship;
☐ Partnership;
☐ Corporate entity (not tax-exempt);
☐ Corporate entity (tax-exempt);
☐ Government entity (Federal, State, or local);
☐ International organization per 26 CFR 1.6049-4;
☐ Other _____.

(f) **COMMON PARENT.**

- ☐ Offeror is not owned or controlled by a common parent
as defined in paragraph (a) of this provision.
☐ Name and TIN of common parent:

Name: _____

TIN: _____

(End of provision)

52.204-5 WOMEN-OWNED BUSINESS (OTHER THAN SMALL BUSINESS) (MAY 1999)

(a) **DEFINITION.** **Women-owned business concern**, as used in this provision, means a concern that is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

(b) **REPRESENTATION.** (Complete only if the offeror is a women-owned business concern and has not represented itself as a small business concern in paragraph (b)(1) of FAR 52.219-1, SMALL BUSINESS PROGRAM REPRESENTATIONS, of this solicitation.) The offeror represents that it ☐ is, ☐ is not a women-owned business concern.

52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (MAR 1996)

(a) (1) The offeror certifies, to the best of its knowledge and belief, that--

(i) The offeror and/or any of its principals--

(A) Are ☐, are not ☐ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ☐ have not ☐, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the

submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are ☐, are not ☐ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

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- (ii) The offeror has ☐ , has not ☐ , within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.
- (2) "Principals," for the purposes of this certification, means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES, AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

- (b) The offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the offeror's responsibility. Failure of the offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the offeror non-responsible.
- (d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

(End of provision)

52.219-1/I/II SMALL BUSINESS PROGRAM REPRESENTATIONS (ALTS I/II) (May 1999)

- (a)
- (1) The standard industrial classification (SIC) code for this acquisition is _____.
- (2) The small business size standard is _____.
- (3) The small business size standard for a concern that submits an offer in its own name, other than on a construction or service contract, but that proposes to furnish a product that it did not itself manufacture, is 500 employees.

(b) REPRESENTATIONS.

- (1) The offeror represents as part of its offer that it--

☐ is,
☐ is not
a small business concern.

- (2) **(Complete only if offeror represented itself as a small business concern in subparagraph (b)(1) of this provision.)** The offeror represents, for general statistical purposes, that it--

☐ is,
☐ is not
a small disadvantaged business concern as defined in 13 CFR 124.1002.

- (3) **(Complete only if offeror represented itself as a small business concern in paragraph (b)(1) of this provision.)** The offeror represents as part of its offer that it--

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[] is,
[] is not
a women-owned small business concern.

(4) **(Complete if the offeror has represented itself as disadvantaged in paragraph (c)(2) or (c)(7) of this provision.)** The offeror shall check the category in which its ownership falls:

- ☐ Black American
- ☐ Hispanic American
- ☐ Native American (American Indians, Eskimos, Aleuts, or Native Hawaiians).
- ☐ Asian Pacific American (persons with origin from Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China, Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru).
- ☐ Subcontinent Asian (Asian-Indian) American (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal).
- ☐ Individual/concern, other than one of the preceding.

(5) **(Complete only if offeror represented itself as a small business concern in paragraph (b)(1) of this provision.)** The offeror represents, as part of its offer, that--

(i) It--

- ☐ is
- ☐ is not

a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal place of ownership, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR Part 126; and

(ii) It--

- ☐ is
- ☐ is not

a joint venture that complied with the requirements of 13 CFR Part 126, and the representations in paragraph (b)(4)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. **(The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture:)**

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Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

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(c) **DEFINITIONS.**

(1) **Small business concern**, as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

(2) **Woman-owned small business concern**, as used in this provision, means a small business concern--

- (i) That is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (ii) Whose management and daily business operations are controlled by one or more women.

(d) **NOTICE.**

(1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small or small disadvantaged business concern in order to obtain a contract to be awarded under the preference programs established pursuant to sections 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall-

- (i) Be punished by imposition of a fine, imprisonment, or both;
- (ii) Be subject to administrative remedies, including suspension and debarment; and
- (iii) Be ineligible for participation in programs conducted under the authority of the Act.

(End of provision)

52.219-22 - Small Disadvantaged Business Status (Oct 1999)

(a) General. This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.219-1, Small Business Program Representation.

(b) Representations.

(1) General. The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either-

____(i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(A) No material change in disadvantaged ownership and control has occurred since its certification;

(B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(C) It is **[identified]**, on the date of **[its]** representation, **[as a certified]**small disadvantaged business concern**[in the database]** maintained by the Small Business Administration **[(PRO-Net)]**; or

____(ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

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(2) __ For Joint Ventures. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in paragraph (b)(1) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.]

(c) Penalties and Remedies. Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall:

- (1) Be punished by imposition of a fine, imprisonment, or both;
- (2) Be subject to administrative remedies, including suspension and debarment; and
- (3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

(End of provision)

52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999)

The offeror represents that--

- (a) It--
☐ has
☐ has not--
participated in a previous contract or subcontract subject to the EQUAL OPPORTUNITY clause of this solicitation;
- (b) It--
☐ has
☐ has not--
filed all required compliance reports; and
- (c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

THE FAR REPRESENTATION IN THE FOLLOWING PARAGRAPH SHALL BE COMPLETED BY EACH OFFEROR WHOSE OFFER IS \$50,000 OR MORE AND WHO HAS 50 OR MORE EMPLOYEES.

This representation--

- ☐ DOES APPLY.
☐ DOES NOT APPLY.

The offeror represents that--

- (a) It--
☐ has developed and has on file
☐ has not developed and does not have on file--
at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or
- (b) It--
☐ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(End of provision)

52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (OCT 1996)

- (a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.
- (b) By signing this offer, the offeror certifies that—

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(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C.11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C.13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: [Check each block that is applicable.]

☐ (i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C.11023(c);

☐ (ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C.11023(b)(1)(A);

☐ (iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C.11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

☐ (iv) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in section 19.102 of the Federal Acquisition Regulation; or

☐ (v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

(End of provision)

252.209-7001 DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)

(a) *Definitions.* As used in this provision-

(1) "Government of a terrorist country" includes the state and the government of a terrorist country, as well as any political subdivision, agency, or instrumentality thereof.

(2) "Terrorist country" means a country determined by the Secretary of State, under section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(i)(A)), to be a country the government of which has repeatedly provided support for acts of international terrorism. As of the date of this provision, terrorist countries include: Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(3) "Significant interest" means-

(i) Ownership of or beneficial interest in 5 percent or more of the firm's or subsidiary's securities. Beneficial interest includes holding 5 percent or more of any class of the firm's securities in "nominee shares," "street names," or some other method of holding securities that does not disclose the beneficial owner;

(ii) Holding a management position in the firm, such as a director or officer;

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- (iii) Ability to control or influence the election, appointment, or tenure of directors or officers in the firm;
 - (iv) Ownership of 10 percent or more of the assets of a firm such as equipment, buildings, real estate, or other tangible assets of the firm; or
 - (v) Holding 50 percent or more of the indebtedness of a firm.
- (b) *Prohibition on award.* In accordance with 10 U.S.C. 2327, no contract may be awarded to a firm or a subsidiary of a firm if the government of a terrorist country has a significant interest in the firm or subsidiary or, in the case of a subsidiary, the firm that owns the subsidiary, unless a waiver is granted by the Secretary of Defense.
- (c) *Disclosure.* If the government of a terrorist country has a significant interest in the Offeror or a subsidiary of the Offeror, the Offeror shall disclose such interest in an attachment to its offer. If the Offeror is a subsidiary, it shall also disclose any significant interest the government of a terrorist country has in any firm that owns or controls the subsidiary. The disclosure shall include-
- (1) Identification of each government holding a significant interest; and
 - (2) A description of the significant interest held by each government.

(End of provision)

252.209-7003 COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS (MAR 1998)

By submission of its offer, the offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d) (i.e., the VETS-100 report required by Federal Acquisition Regulation clause 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era), it has submitted the most recent report required by 38 U.S.C. 4212(d).

(End of provision)

252.247-7022 REPRESENTATION OF EXTENT OF TRANSPORTATION BY SEA (AUG 1992)

(a) The offeror shall indicate by checking the appropriate blank in paragraph (b) of this provision whether transportation of supplies by sea is anticipated under the resultant contract. The term "supplies" is defined in the TRANSPORTATION OF SUPPLIES BY SEA clause of this solicitation.

(b) REPRESENTATIONS.

The offeror represents that it--

[] Does anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

[] Does not anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

(c) Any contract resulting from this solicitation will include the TRANSPORTATION OF SUPPLIES BY SEA clause. If the offeror represents that it will not use ocean transportation, the resulting contract will also include the Defense FAR Supplement clause at 252.247-7024, NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA.

(End of provision)

SECTION L

Instructions, Conditions, and Notices to Offerors

L.1 52.252-1: Solicitation Provisions Incorporated by Reference (IAW FAR 52.107[a])

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer.

The full text of a solicitation provision may be accessed electronically at these addresses: <http://farsite.hill.af.mil> (all provisions) and <http://www.arnet.gov/far>.

The following FAR and DFAR clauses are incorporated by reference:

| Paragraph | Clause Title | Date |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 52.204-6 | Data Universal Numbering System (DUNS) Number (IAW FAR 4.603[a]) | Jun 1999 |
| 52.211-14 | Notice of Priority Rating for National Defense Use (IAW FAR 11.604[a]) For the purposes of this provision, the blanks are completed on the cover sheet. | Sep 1990 |
| 52.215-1 | Instructions to Offerors—Competitive Acquisitions (IAW FAR 15.209[a]) | Feb 2000 |
| 52.215-1 | Alt I (IAW FAR 15.209[a][1]) | Oct 1997 |
| 52.215-1 | Alt II (IAW FAR 15.209[a][2]) | Oct 1997 |
| 52.215-16 | Facilities Capital Cost of Money (IAW FAR 15.408[h]) | Oct 1997 |
| 52.215-20 | Requirement for Cost or Pricing Data or Information other than Cost or Pricing Data (IAW FAR 15.408[l]) | Oct 1997 |
| 52.215-20 | Alt IV (IAW FAR 15.408[l][4]) | Oct 1997 |
| 52.216-1 | Type of Contract (IAW FAR 16.105) For the purposes of this provision the blank(s) are completed as follows: The Government intends to award a fixed-price with prospective price redetermination utility services type contract. | Apr 1984 |
| 52.222-24 | Pre-award On-Site Equal Opportunity Compliance (Evaluation) (IAW FAR 22.810[c]) | Feb 1999 |

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| Paragraph | Clause Title | Date |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 52.233-2 | Service of Protest (IAW FAR 33.106[a]) a) Jacob Moser Defense Energy Support Center Attn: DESC-APP 8725 John J. Kingman Rd. Suite 4950 Ft. Belvoir, VA 22060-6222 | Aug 1996 |
| 52.237-1 | Site Visit (IAW FAR 37.110[a]) | Apr 1984 |
| 52.252-5 | Authorized Deviations in Provisions (IAW FAR 52.107[e]) (a) The use in this solicitation of any Defense Federal Acquisition Regulation (DFAR) Supplement (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of (Deviation) after the name of the regulation. | Apr 1984 |
| 252.204-7001 | Commercial and Government Entity (CAGE) Code Reporting (IAW DFARS 204.602-70) | Aug 1999 |

L.2 Information to Offerors

L.2.1 General Information

L.2.1.1 Point of Contact

The Procuring Contracting Officer (PCO) is the sole point of contact for this acquisition. Address any and all questions or concerns in writing to the PCO:

Jacob Moser
Defense Energy Support Center
Attn.: DESC-AP
8725 John J. Kingman Rd.
Suite 4950
Ft. Belvoir, VA 22060-6222
Fax no: 703-767-8757, E-mail: jmoser@desc.dla.mil

L.2.1.2 Debriefings

All Offerors may request debriefings by providing a written request to the PCO at the address located in Block 8 of Section A within 3 calendar days after receiving notification from the PCO of elimination from the competitive range or award of contract. To the maximum extent practicable, debriefings will be conducted within 5 days of the debriefing request.

L.2.1.3 Discrepancies

If an Offeror believes that the requirements in these instructions contain an error or omission, or are otherwise unsound, the Offeror shall immediately notify the PCO in writing with supporting rationale.

L.2.1.4 Use of Non-Government Advisors

Offerors are advised that data submitted to the Government in response to this solicitation may be released to non-government advisors for review and analysis. These advisors may be required to provide advice within their area of expertise regarding proposal strengths, weaknesses, inadequacies, risks, and deficiencies. Non-government advisors will be subject to civil and criminal penalties associated with any release of information pursuant to FAR Part 3.104 procurement integrity violations. They will not determine ratings or rankings of Offerors' proposals.

If the Offeror has any objection to non-government advisor access to their proposal information, the Offeror shall provide grounds and justification for their objections. The non-government advisors are:

Avila Government Services, Inc

TRW

Note: The companies listed above may not assist or participate in preparation or submission of any proposal associated with this acquisition.

L.2.1.5 Site Visits

Site visits will be allowed between 24-25 October 2000 and 14-15 November 2000.

Offerors may schedule site visits by contacting the PCO. The request for a site visit shall include the areas of the installation the Offeror wishes to view. Site visit requests shall be made with a minimum of 1-week advance notice.

L.2.1.6 Technical Library

A Technical Library will be available from 6 October through 20 November 2000 for Offerors to view data that were not available in electronic format. Offerors should contact the PCO to arrange entrance into the Library.

L.2.1.7 Evidence of Responsibility

To be determined responsible, an Offeror must be, and demonstrate that it is capable of providing utility customers with service requirements substantially similar to those identified in Section C, *Description/Specifications/Work Statement*. The Offeror must demonstrate an ability to provide the required services to the Government during the entire term of the proposed contract.

L.2.1.8 Proprietary Information

Information deemed by the Offeror to be proprietary shall be clearly marked as proprietary information and, where possible, shall be separated and provided in

separate sealed envelopes for each technical proposal and price/cost proposal. Proposals submitted in response to this solicitation will not be returned. The Government will destroy any extra copies under proper security procedures.

L.2.1.9 Period of Validity

The proposal shall be valid for **300 days** from the required submission date.

L.2.2 Number of Awards

There will be a single award for each utility system specified resulting from this solicitation, or for each combination of utility systems packaged in a single proposal. Therefore, the number of awards may be less than the number of systems specified.

L.2.3 Reserved

L.2.4 Applicable DLAD Provisions

The following provisions of the Defense Logistics Agency Directive (DLAD) are applicable to this solicitation:

AGENCY PROTESTS (DEC 1999) - DLAD

Companies protesting this procurement may file a protest (1) with the Contracting Officer, (2) with the General Accounting Office, or (3) pursuant to Executive Order No. 12979, with the Agency for a decision by the Activity's Chief of the Contracting Office. Protests filed with the Agency should clearly state that they are an "Agency Level Protest under Executive Order No. 12979." (**NOTE:** DLA procedures for Agency Level Protests filed under Executive Order No. 12979 for a higher level decision on the initial protest than would occur with a protest to the Contracting Officer; this process is not an appellate review of a Contracting Officer's decision on a protest previously filed with the Contracting Officer.) Absent a clear indication of the intent to file an agency level protest, protests will be presumed to be protests to the Contracting Officer.

(DLAD 52.233-9000)

L.2.5 Other Requirements

In order to evaluate the technical proposals strictly on the merits of the material submitted, no contractual price information shall be included in the technical proposals. Proposals shall comply with the requirements of provision L.4, Proposal Preparation Instructions - General. The Offeror's proposal, in part or whole, may be incorporated and made part of any resultant contract.

L.3 Reserved

L.4 Proposal Preparation Instructions – General

This section provides general guidance for preparing proposals, as well as specific instructions on the format and content of the proposal. The Offeror's proposal must include all data and information requested by these instructions and must be submitted in accordance with these instructions. The Offeror shall comply with the requirements as stated in Section B, *Supplies or Services and Prices/Costs*, and Section C, *Description/Specifications/Work Statement*.

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The Government will read/evaluate only the maximum number of pages allowed. Nonconformance with the specified organization, content, and page limitations may be cause for proposal rejection.

L.4.1 Proposal Organization/Page Limits

Offerors shall prepare the proposal as set forth in the table below. The titles, contents, and page limits of each volume shall be as defined in the table below. The contents of each proposal volume are described in the paragraph noted in the table.

| Volume | Paragraph Number | Title | Maximum Page Limit |
|--------|------------------|------------------------------|-----------------------|
| I | | Technical Proposal (Written) | 200 (per system type) |
| II | | Past Performance | 40 |
| III | | Contract Documentation | None |
| IV | | Price Proposal | None |

L.4.2 Proposal Format

The proposal shall be clear and concise, and shall include sufficient detail for effective evaluation and for substantiating the validity of stated claims. The proposal shall not simply restate or rephrase the Government's requirements, but rather provide convincing rationale to address how the Offeror intends to meet these requirements. Offerors shall assume that the Government has no prior knowledge of their facilities and experience, and will base its evaluation on the information presented in the Offerors proposal.

Each volume shall be written on a stand-alone basis so that its contents may be evaluated without cross-referencing.

Elaborate graphics, multi-media functions (for example, video clips or sound bites), or other embellishments are unnecessary and are not desired.

L.4.3 Distribution

Offeror shall submit an original and three hard copies in three-ring binders. An additional copy shall be submitted on a CD.

L.4.4 Electronic Media

Offeror shall submit their electronic proposals on CD ROM disks. All volumes shall be submitted on one CD. With the exception of the Price proposal, Offeror shall submit proposal files in the *Adobe* Portable Document File (PDF) format with a table of contents (roadmap) of the proposal structure. The Offeror shall provide appropriate *bookmarks* and *thumbnails*. The minimum requirement for hypertext link is a table of contents linked to each file provided in the proposal. Additional hypertext links within the proposal are at the Offeror's discretion.

The Price Volume shall be submitted in application-specific files developed and saved using the following versions of Microsoft software: *Word 97*, *Excel 97*, *PowerPoint 97*, and *Windows 95*. Each CD shall contain an electronic label, which is to be established on a

CD when the CD is formatted. No password-protected, zipped, or self-extracting files shall be used.

Each Offeror shall provide virus-free CDs and shall certify that they are *virus free*. Be sure to identify appropriate markings such as the legend at FAR 52.215-1(e), *Restriction on Disclosure and Use of Data*.

L.4.5 Pages and Typing

Page size shall be 8½ by 11 inches (*Word for Windows* portrait format) or 11 by 8½ inches (*Word for Windows* landscape format). Landscape pages may be used only for large tables, charts, graphs, and diagrams, not for pages of text. Page size 11 by 17 inches may only be used for tables, figures/diagrams, illustration/drawings, and maps. Pages sized 11 by 17 inches will be counted as two pages.

Text shall be single-spaced, in 11-point Arial font. Arial font size of 10 point may be used for tables, captions, matrices, maps, and header and footer information. For charts, graphs, and figures/diagrams, the font shall be no smaller than 5 point. Use at least 1-inch margins on the top and bottom and 1-inch side margins. Pages will be numbered sequentially by volume. These page format restrictions shall also apply to responses to any Evaluation Notices.

Page limitations shall be treated as maximums. If exceeded, excess pages will not be read or considered in the evaluation of the proposal.

Each page shall be counted except for the following: cover pages, table of contents, cross-reference matrix, tabs, and glossaries.

L.4.6 Change Pages

The Government intends on submitting Evaluation Notices electronically. In response to the Evaluation Notices, change pages shall be submitted for the electronic copies of the proposal volumes.

In the upper right corner of each change page, include the Offeror name, exact location (volume, section, page number, etc.) within the original proposal, date of transmittal, and applicable Evaluation Notice document control number assigned by the source-selection team. Changes shall be marked by a change bar in the margin to indicate the changed part of each page.

L.4.7 Cost or Pricing Information

Cost or pricing information should mainly be addressed in the price proposal and contract documentation volumes. Cost trade-off information, work-hour estimates, and material kinds and quantities may be used in other volumes as appropriate for presenting rationale for alternatives or design and trade-off decisions.

L.4.8 Cross-Reference Matrix

The Offeror shall provide a cross-reference matrix. The purpose of this matrix is to aid the Government's evaluation of the proposals, thereby ensuring no requirements have

been overlooked. Offerors shall cross reference the offer and Section C, *Description/Specifications / Work Statement*, to where each is addressed.

L.4.9 Glossary of Abbreviations and Acronyms

If appropriate, each volume may contain a glossary of all abbreviations and acronyms, with an explanation for each. Glossaries will not count against the page limitations for their respective volumes.

L.5 Reserved

L.6 Proposal Preparation Instructions – Volume I: Technical Proposal

The Technical Proposal Volume should be specific and complete. A separate Volume I must be submitted for each type (electric, natural gas, water, wastewater, and heating and cooling) of utility system included in the proposal. Separate proposals are not required for like utility systems between Installations (e.g. only one Volume I is required if the Offeror is offering one type of utility system at multiple Installations). In order to evaluate the technical proposals strictly on the merits of the material submitted, no contractual price information shall be included in the technical proposals.

The technical proposal shall describe the Contractor's capability to provide the level of utility service required by this contract. It should be specific and complete in every detail. Proposals that merely offer to provide service in accordance with Section C, *Description/Specifications/Work Statement*, will be considered technically unacceptable and will not be considered further.

The Offerors must submit a definitive proposal to achieve the end results that are set forth in the Government's requirements. The technical proposal shall be prepared to specifically address the Mission Capability subfactors.

The Mission Capability subfactors are:

1. Service Interruption/Contingency Plan
2. Quality Management Plan
3. Capital Upgrades and Renewals and Replacements Plan
4. Operational Transition Plan
5. Financial Capability

L.6.1 Subfactor 1: Service Interruption/Contingency Plan

Offeror shall submit a Service Interruption/Contingency Plan IAW Provision M.4, *Evaluation Factors and Subfactors* and sufficient to meet the applicable requirements of Section C, *Description/Specifications/Work Statement*, paragraph C.7, *Service Interruption/Contingency Plan* and C.8, *Routine, Urgent, and Emergency Repair Response*.

The Service Interruption/Contingency Plan shall describe in detail the following:

- Cause of interruption
- Detailed contingency plan of action (including Government notifications)
- Estimated time for reestablishment of temporary service
- Estimated time for reestablishment of permanent service

L.6.2 Subfactor 2: Quality Management Plan

The Contractor shall prepare and submit to the Contracting Officer a comprehensive Quality Management Plan (QMP). The QMP shall identify the performance standards and/or specifications that the Contractor will comply with for construction, operation, maintenance, management, environmental, and safety. At a minimum the QMP shall address all applicable federal, state, interstate, and local laws/regulations, the most current version of any base-specific requirements defined in the utility-specific attachments (Section J), and best engineering and management practices consistent with the following:

1. Electric distribution system(s): National Electric Safety Code (American National Standards Institute (ANSI)-C2), National Electrical Manufacturers Association (NEMA), National Electric Code (NFPA-70), and current reference materials published by the Institute of Electrical and Electronic Engineers (IEEE), the Illuminating Engineering Society (IES), and the Insulated Cable Engineers Association (ICEA).
2. Natural gas distribution system(s): Code of Federal Regulations (CFR), Title 49 Parts 190, 191, 192 and 199 and the *DOT Guidance Manual for Operators of Small Natural Gas Systems*.

3. Water distribution and wastewater collection system(s): The most recent edition of reference materials published by the American Water Works Association (AWWA), Water Environment Federation (WEF), American Society of Civil Engineers (ASCE), National Fire Protection Association (NFPA), and Factory Mutual Global.

The QMP shall also define, in detail, the Contractor's operations and maintenance policies and procedures that implement all defined standards. The QMP shall ensure contract requirements are met and that the system is being operated and maintained in a manner consistent with its long-term ability to provide reliable, cost-effective, and compliant service. The Contractor shall also modify its service practices as needed to accommodate changes in legal requirements or industry standards.

Specifically, the QMP shall establish the Contractor's approach to quality service, to include, but not limited to, the following:

- Service Standards: The QMP shall define and address implementing procedures for the performance standards and/or specifications that the Contractor will comply with to meet the criteria listed in Table L-1 below. The QMP shall also address implementing procedures for the standards that are specifically defined elsewhere in the statement of work.
- Staffing Plan.
- Quality Awards and Certificates.
- A quality philosophy based on accepted management practice to facilitate continuous improvements.
- A proven system of inspections or other quality assessment procedures and techniques, procedures, and performance metrics and standards to be used to assess and improve the quality and cost of contract work by identifying, reporting, and correcting deficiencies and preventing reoccurrence.
- Environmental compliance (wastewater systems only). This plan shall clearly define all interface points and responsibilities for transferring materials from the wastewater system between the Government, Contractor, disposal facilities, and any regulatory bodies.
- For wastewater treatment systems, the QMP shall include an environmental compliance plan that defines all interface points and responsibilities for transferring (wastewater) between the Government and Contractor facilities.
- The QMP shall also address detailed plans for providing certification/upgrade and proficiency training for military personnel, if required, in accordance with Paragraph C.14.
- Specialty skills training (if required)

TABLE L-1
Service Standards Criteria

| Water System | Wastewater System | Gas System |
|----------------------------|----------------------------|----------------------------|
| Quality | Effluent Quality | Quality |
| Reliability | Reliability | Reliability |
| Recurring and Preventative | Recurring and Preventative | Recurring and Preventative |

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| Water System | Wastewater System | Gas System |
|----------------------------------------------------|----------------------------------------------------|-------------------------------------------------|
| Maintenance | Maintenance | Maintenance |
| Sampling/ Analysis | Sampling/ Analysis | (Left Blank) |
| Maintaining System Pressure | Permitting | Maintaining System Pressure |
| Demand and Distribution Capacity | Demand and Collection Capacity | Demand and Distribution Capacity |
| Water Storage Requirements | Pre-Treatment Requirements | Relighting Appliances |
| Fire Flow Capacity/ Duration | (Left Blank) | (Left Blank) |
| Corrosion Control (To Include Cathodic Protection) | Corrosion Control (To Include Cathodic Protection) | Corrosion Control |
| Minimization of Leaks and Losses | (Left Blank) | Cathodic Protection |
| Minimization of Water Use | Minimization of Inflow and Infiltration | Minimization of Leaks and Losses |
| Safety of Government Personnel & Property | Safety of Government Personnel and Property | Safety of Government Personnel and Property |
| Service Connection Standards and Specifications | Service Connection Standards and Specifications | Service Connection Standards and Specifications |
| Exterior Backflow Prevention | Blockages and Cross Connections | Leak Surveys |
| Water and Sewer Line Separation | Water and Sewer Line Separation | (Left Blank) |
| New Construction Standards | New Construction Standards | New Construction Standards |
| Commissioning Standards | Commissioning Standards | Commissioning Standards |
| Color Identification and Markings | Color Identification and Markings | Color Identification and Markings |
| System Inspections | System Inspections | System Inspections |
| Meter and Equipment Calibration | Meter and Equipment Calibration | Meter and Equipment Calibration |
| Service Interruption Frequency | Service Interruption Frequency | Service Interruption Frequency |
| Operating Permits | Operating Permits | Operating Permits |
| Employee Certifications | Employee Certifications | Employee Certifications |

Offeror may describe any quality awards or certifications that indicate the Offeror possesses a high-quality process for providing required services. Such awards or certifications include, for example, the Malcolm Baldrige Quality Award, other government quality awards, and private sector awards or certifications.

L.6.3 Subfactor 3: Capital Upgrades and Renewals and Replacements Plan

Offeror shall submit a Capital Upgrades and Renewals and Replacements Plan IAW Provision M.4, *Discussion of Factors and Subfactors*, and sufficient supporting information to meet the applicable requirements of Section C, *Description/Specifications/Work Statement*, paragraph C.11.2, *Capital Upgrades and Renewals and Replacements Plan* and C.13, *Transition Plan*. The Capital Upgrades and Renewals and Replacements Plan shall describe in detail the purpose, scope, and benefit of the initial capital upgrades and provide a detailed description of the Contractor's philosophy towards long-term capital renewals and upgrades. The Capital Upgrades and Renewals and Replacements Plan provided as part of the Technical Proposal shall not contain any pricing information. The pricing information shall be provided in the Price Proposal. To include, as a minimum, the following:

1. Detailed description of all proposed initial capital upgrades and initial renewals and replacements to the utility system. A time phase plan for implementing proposed capital upgrades and initial renewals and replacements shall be included. (Costs associated with initial upgrades and initial renewals and replacements shall be included in Schedule L-3.)
2. Conceptual methodology that will be used for scheduling renewals and replacements for the duration of the contract to ensure long-term efficient level of service. (Cost associated with continuing renewals and replacements shall be included in Schedule L-2.)
3. Detailed description for adding or removing any Government-identified connection or disconnections.
4. Identification, justification, and detailed description of any Contractor-recommended additional upgrades and/or improvements to increase the efficiency of system operations.
5. As applicable, conceptual plans for, including methods for monitoring the effectiveness of, energy efficiencies and conservation upgrades for purposes as defined in paragraph C.3.4, *Energy and Water Efficiencies and Conservation*.

L.6.4 Subfactor 4: Operational Transition Plan

The Offeror shall submit an Operational Transition Plan IAW Provision M.4, *Evaluation Factors and Subfactors* and sufficient supporting information to meet the requirements of Section C, *Description/Specifications/Work Statement*, paragraph C.13, *Transition Plan*. The transition plan shall propose an adequate time-phased turnover of the facilities, equipment, permits, operation and maintenance, and other responsibilities to include any new construction, installation of meters required for utility billing, turnover of meter readings and billing responsibilities, and the process for evaluating existing employees for employment.

L.6.5 Subfactor 5: Financial Capability

Offeror shall submit documentation of financial capabilities IAW Provision M.4, *Evaluation Factors and Subfactors*. Financial capability shall demonstrate that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements of the utility system both now and in the future. At a minimum, the Offeror shall submit the following criteria for the

past five years; Interest Coverage, Funds from Operation (FFO) to Interest Ratio, FFO to Total Debt Percentage, Total Debt to Total Capital Ratio (Debt Ratio), and Disaster Recovery Ratio (DRR), in order to accurately characterize the Offeror's financial condition.

L.7 Proposal Preparation Instructions – Volume II: Past Performance

The Offeror shall submit to the Contracting Officer its past performance information (contact references per Section L, Attachment 1) on the date specified in Section A. An original and four hard copies of the offeror's past performance information shall be submitted in five individual loose-leaf binders. The Offeror shall submit the rest of its initial proposal no later than the solicitation closing date and time.

Offerors shall provide information about their past performance on projects of similar complexity, and the offeror's approach to accomplishing work required in the RFP. Offerors shall present the information requested in attachment 1 below as part of their proposal for both the Offeror and major (over \$500,000) proposed subcontractors.

Offerors shall provide references for up to 6 of its largest customers (by demand capacity), and/or projects of similar scope. Projects cited and references should be recent (within 5 years of the date of the proposal). The references should be limited to a brief description of the services and facilities provided, together with name of client contact. Ensure referenced contact has the capability of addressing the items in the past performance questionnaire (i.e. technical, financial, regulatory, etc.). If the Offeror fails to provide valid client contacts, past performance references may not be considered. The Government may contact the offeror's references to determine customer satisfaction with various aspects of the offeror's performance.

Offerors shall provide a list of all system acquisitions in the last 5 years or all contracts and subcontracts currently in progress, which are of similar scope, magnitude, and complexity. Contracts listed may include those entered into by the Federal Government, agencies of state and local governments and commercial customers. The list must include, as a minimum, the following:

- Name of acquisition or project
- Brief description of contract or subcontract
- Total contract value
- Period of performance
- Principal parties involved and telephone numbers

The Offeror shall provide references for any proposed subcontractors that will be performing a significant portion of the work and for each firm participating in a joint venture or teaming arrangement.

L.8 Proposal Preparation Instructions – Volume III - Contract Documentation

L.8.1 Model Contract/Representations and Certifications

The purpose of this volume is to provide information to the Government for preparing the contract document and supporting file. The Offeror's proposal shall include a signed copy of the model contract. This includes the following:

- Completion of blocks 12-16 and signature and date for blocks 17 and 18 of the Standard Form (SF) 33. Signature by the Offeror on the SF 33 constitutes an offer that the Government may accept. The *original* copy should be clearly marked under separate cover and should be provided without any punched holes.
- Completed pricing information for Section B.
- Section K. Completion of representations, certifications, acknowledgments, and statements.

L.8.2 Exceptions to Terms and Conditions

The Government will accept alternate proposals. An example of an alternate proposal would be an instance where there is no wastewater treatment plant for sale and the Offeror submits an alternate proposal to include wastewater treatment. Exceptions taken to terms and conditions of the RFP shall be clearly identified. Each exception shall be specifically related to each paragraph and/or specific part of the RFP to which the exception is taken. Provide rationale in support of the exception and fully explain its impact, if any, on the performance, schedule, cost, and specific requirements of the RFP. Exceptions are not allowed to the Bill of Sale or the Right-of-Way.

This information shall be provided in the format and content of the table below. Unless included in this volume, no exceptions to terms and conditions will be assumed.

RFP EXCEPTIONS

| RFP Document | Paragraph/ Page | Requirement/ Portion | Rationale |
|-------------------------------|---------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SOW, RFP Model Contract, etc. | Applicable page and paragraph numbers | Identify the requirement or portion to which exception is taken | Justify why the requirement will not be met or discuss reasons why not meeting the Government's terms and conditions might be advantageous to the Government |

L.8.3 Other Required Information

L.8.3.1 Authorized Offeror Personnel

Provide the name, title, and telephone number of the company/division point of contact regarding source-selection decisions made with respect to your proposal and who can obligate your company contractually. Also, identify those individuals authorized to negotiate with the Government.

L.8.3.2 Company/Division Street Address

Provide company/division's street address, county and facility code, size of business (large or small), and labor surplus area designation.

L.8.3.3 Subcontracting Plan (Large Businesses Only)

Each large business Offeror shall submit a Subcontracting Plan as part of their proposal submission. The plan shall be prepared IAW FAR 52-219-9.

L.8.3.4 Socioeconomic Plan

Offerors shall submit a plan that demonstrates their commitment to providing subcontracting opportunities to small businesses and historically black colleges or universities and minority institutions. All offerors regardless of business size are required to provide socioeconomic commitment. Small businesses will be credited for the dollar value/percentage of the work they perform as if the work were subcontracted to a small business concern. Work performed by a small business in house shall be identified in the socioeconomic plan.

SOCIOECONOMIC PLAN: In addition to any subcontracting plan required by Clause 52.219-9 describe the extent of participation of small businesses and historically black colleges or universities and minority institutions in performance of the contract whether as a joint venture, teaming arrangement, or subcontractor. As part of this description the offeror shall:

1. A description of the efforts the company will make to assure that small businesses, Historically Black Colleges/Universities or Minority Institutions (HBCUs/Mis), and/or HUBZone small business concerns will have equal opportunity to compete for subcontracts under any resulting contract.
2. A description of the offeror's current and planned proposed range for services, supplies, and any other support that will be provided by small businesses, Historically Black Colleges/Universities or Minority Institutions (HBCUs/Mis), and/or HUBZone small business concerns.
3. The specific names of subcontractors to the extent they are known.
4. A description of any future plans the company has for developing additional subcontracting opportunities for small businesses, Historically Black Colleges/Universities or Minority Institutions (HBCUs/Mis), and/or HUBZone business concerns during the contract period.

5. Identification of the portion of the offeror's proposal, as a percentage of dollars, that will be subcontracted to small businesses, Historically Black Colleges/Universities or Minority Institutions (HBCUs/Mis), and/or HUBZone small business concerns.
6. The type of performance data the offeror would accumulate and provide to the Contracting officer regarding your support of small businesses, Historically Black Colleges/Universities or Minority Institutions (HBCUs/Mis), and /or HUBZone small business concerns during the period of contract performance.
7. The name and title of the individual principally responsible for ensuring company support to such firms.

L.9 Proposal Preparation Instructions – Volume IV: Price Proposal

L.9.1 Submission of Certified Cost or Pricing Data

It is anticipated that pricing will be based on adequate price competition. Therefore, Offerors are not required to submit certified cost or pricing data. However, if after receipt of proposals it is determined that adequate price competition does not exist, cost or pricing data (see FAR 15.406-2, *Certificate of Current Cost or Pricing Data*) shall be required.

If it is determined that adequate price competition does not exist, the Offeror shall provide current, complete, and accurate cost or pricing data within 30 calendar days after receipt of the Contracting Officer's request.

L.9.2 General

The solicitation and any resulting contract will be for a period of 50 years, commencing with the date of award, unless the Government terminates said contract. If the Government terminates the contract, whether for convenience or default, the appropriate FAR termination clause will apply.

The Offeror must submit a separate schedule B-2 for each utility system included in the proposal. This includes a separate schedule B-2 for like utility systems at separate Installations.

These instructions are to assist you in submitting information other than cost or pricing data that are required to evaluate the reasonableness, realism, and completeness of your proposed Price. Compliance with these instructions is mandatory and failure to comply may result in rejection of your proposal. Offers should be sufficiently detailed to demonstrate their cost credibility. The burden of proof for cost credibility rests with the Offeror.

L.9.3 Estimating Techniques and Methods

When responding to the Price Volume requirements in the RFP, the Offeror and its associated subcontractors may use any generally accepted estimating techniques, including contemporary estimating methods.

L.9.4 Accounting Systems

The Contractor shall describe the proposed accounting system for this contract. The accounting system shall be in compliance with paragraph G.4, *Accounting Procedures*.

L.9.5 Organization

Volume IV shall consist of the following sections:

- Table of Contents
- Section 1: Schedules B-2, L-1, and L-3.
- Section 2: Cost Proposal, Introduction, and Pricing Assumptions
- Section 3: General Estimating Methodology
- Section 4: Cost Risk Assessment

L.9.6 Detailed Instructions for Price Proposal

Table of Contents

The Price volume shall be prefaced by a Table of Contents and shall specify, by page number, the location of information requested in these instructions.

Section 1 - Schedule B-2

Include a completed copy of the RFP Schedule B-2 for each utility system included in the proposal.

Section 2 -- Cost Proposal, Introduction, and Pricing Assumptions

Discuss the pricing methodology used to develop offered prices. The discussion of pricing methodology must explicitly show the offeror's calculation of each Sub-CLIN. Assumptions regarding price inflation in the first two years of operation and their effect on cost of service for each Sub-CLIN must be explicitly described. All assumptions, scope limitations, and/or qualifications of the price proposal shall be addressed and explained for each Sub-CLIN.

The Offeror shall provide the breakdown of their proposed Fixed Monthly Charge proposed in Schedule B-2. In particular the Offeror shall differentiate between the operation and maintenance costs and renewals and replacements. This information shall be provided in a separate Schedule L-1 for each utility system included in the proposal.

Schedule L-1 - Calculation of Fixed Monthly Charge

| Component | Monthly Charge |
|------------------------------------------------------------------|----------------|
| 1. Operations and Maintenance (O&M) | |
| 2. Renewals and Replacements | |
| Total Fixed Monthly Charge (to be entered in Sub-CLIN AB) | |

Operations and Maintenance

Operations and maintenance costs are those costs associated with the day-to-day operation of the utility system and scheduled preventative and predictive maintenance. Typical cost categories might include, but are not limited to, all labor (direct and indirect), materials and procurement costs, insurance, equipment, general and administrative, and overhead costs.

Renewals and Replacements

To calculate the renewals and replacements the Offeror shall establish a 50-year schedule for renewals and replacements of major system components given the information available in this solicitation, technical library, through site visits, and other pertinent information. The 50-year schedule for renewals and replacements shall be established as shown in Schedule L-2. A separate Schedule L-2 shall be provided for each utility system included in the proposal. The Offeror shall clearly establish a direct correlation between the 50-year schedule for renewals and replacements and the renewals and replacements component of the Fixed Monthly Charge presented in Schedule L-1. If the correlation includes a residual value at the end of the 50-year schedule, the Offeror shall clearly demonstrate the basis for the residual value.

SCHEDULE L-2 RENEWALS AND REPLACEMENTS SCHEDULE 50-Year Schedule

| <u>Year</u> | <u>Dollar Amount</u> | <u>Description of Renewal or Replacement</u> |
|-------------|----------------------|----------------------------------------------|
| 2001 | | |
| 2002 | | |
| 2003 | | |
| 2004 | | |
| 2005 | | |
| 200X | | |
| 200X+1 | | |
| 2048 | | |
| 2049 | | |
| 2050 | | |

Capital Upgrades and Recoverable Portion of the Purchase Price

The Offeror shall provide cost information for capital upgrades listed in the Capital Upgrades and Renewals and Replacements Plan provided in their proposal in accordance with C.11.2, *Capital Upgrades and Renewals and Replacements Plan*. Information to support the price proposed for capital upgrades shall include total upgrade price, estimated completion date, number of months the price will be amortized, and the interest rate proposed by the Offeror. This information should be provided in Schedule L-3.

The recoverable portion of the purchase price is the portion of the purchase proposed for recovery by the Offeror. The dollar amount proposed must be between zero and 100 percent of the purchase price offered in Schedule B-2. The proposed portion of the purchase price shall be amortized over the number of months and interest rate proposed by the Offeror. After the time period proposed by the Offeror expires, this portion of the monthly fixed payment will be removed from the cash-flow projection. This information should be provided in Schedule L-3.

A separate Schedule L-3 shall be provided for each utility system included in the proposal.

Schedule L-3 - Additions to the Fixed Monthly Charge

| Component Name | Component Cost | Interest Rate | Month of Project is Complete and Monthly Charge Begins | Number of Months to Amortize Component | Monthly Charge |
|-------------------------------------------------|----------------|---------------|--------------------------------------------------------|----------------------------------------|----------------|
| 1. Capital Upgrades | | | | | |
| Project 1 | | | | | |
| Project 2 | | | | | |
| Project n | | | | | |
| 2. Recoverable Portion of Purchase Price | | | NA | | |

Section 3 -- General Estimating Methodology

Summarize your standard estimating system or method as it pertains to this acquisition.

The Government is asking for *prime contractor* fully loaded rates (subcontracts have been removed). However, in the event that the Offeror has an official teaming arrangement or interdivisional effort, the proposed rates shall reflect that.

For unregulated companies: State whether or not your Disclosure Statement has been determined adequate by the cognizant Government ACO. If determined adequate, provide date of approval. Identify any outstanding Cost Accounting Standards (CAS) violations; provide status/action being taken. If exempted from submitting a CAS Disclosure Statement so state, and identify the reason for the exemption.

Section 4 -- Cost Risk Assessment

Submit a risk analysis that identifies cost risk areas and the recommended management approach to mitigating/controlling the impact of those cost risks on the overall success of the program. Use the sample format below:

| Cost Risk Area | Mitigation |
|--------------------------|---------------------------|
| Explain the risk element | Explain plans to mitigate |

ATTACHMENT 1: PAST PERFORMANCE INFORMATION

Provide the information requested in this form for each program being described. Provide frank, concise comments regarding your performance on the contracts you identify.

A. OFFEROR NAME (COMPANY/DIVISION) AND LOCATION (CITY/STATE):

(NOTE: IF THE COMPANY OR DIVISION PERFORMING THIS EFFORT IS DIFFERENT THAN THE OFFEROR, OR THE RELEVANCE OF THIS EFFORT TO THE ACQUISITION IS IMPACTED BY ANY COMPANY/CORPORATE ORGANIZATIONAL CHANGE, NOTE THOSE DIFFERENCES/CHANGES AND EXPLAIN WHY THE PAST PERFORMANCE SHOULD BE ATTRIBUTED TO THE OFFEROR REFER TO THE "ORGANIZATIONAL STRUCTURE CHANGE HISTORY" YOU PROVIDED AS PART OF YOUR RELEVANT PRESENT AND PAST PERFORMANCE VOLUME.)

B. PROGRAM TITLE:**C. CONTRACT SPECIFICS:**

1. Contract/Project Number _____
2. Contract Type _____
3. Period of Performance _____
4. Original Contract \$ Value _____
5. Current Contract \$ Value _____

If Amounts for 4 and 5 above are different, provide a brief description of the reasons for the difference

D. BRIEF DESCRIPTION OF EFFORT AS __PRIME OR __SUBCONTRACTOR.

(Please highlight portions considered most relevant to current acquisition)

E. COMPLETION DATE:

1. Original Contractual Date: _____
2. Current Schedule: _____
3. Estimated Date of Completion: _____
4. How Many Times Changed: _____
5. Primary Causes of Change: _____

F. PRIMARY GOVERNMENT OR EQUIVALENT POINTS OF CONTACT:

Name: _____

Office

Address

Telephone

E-mail

Fax**Name:****Office****Address****Telephone****E-mail****Fax**

G. ADDRESS ANY TECHNICAL (OR OTHER) AREA ABOUT THIS PROGRAM CONSIDERED UNIQUE.

H. SPECIFY BY NAME ANY KEY INDIVIDUAL(S) WHO PARTICIPATED IN THIS PROGRAM AND IS/ARE PROPOSED TO SUPPORT THE INSTANT ACQUISITION. ALSO, INDICATE THEIR CONTRACTUAL ROLES FOR BOTH ACQUISITIONS.

I. ADDRESS PROBLEMS ENCOUNTERED ON THIS CONTRACT AND YOUR SOLUTIONS TO THOSE PROBLEMS.

J. IDENTIFY IF A SMALL BUSINESS OR DISADVANTAGED BUSINESS PLAN OR GOAL WAS REQUIRED. IF SO, IDENTIFY IN TERMS OF A PERCENTAGE OF THE PLANNED VERSUS ACHIEVED GOAL DURING THE CONTRACT. IF GOALS WERE NOT MET. PLEASE EXPLAIN.

K. DESCRIBE/DISCUSS THE RELEVANCY OF THE SERVICES YOU PROVIDED ON YOUR REFERENCED CONTRACT TO THESE QUESTIONS AS THEY MAY PERTAIN TO THE SPECIFIC UTILITY.

General

1. Indicate (yes or no) if you owned, operated, maintained the system for the referenced customer. Indicate if the systems were located on the customer's site.

| | OWN | OPERATE | MAINTAIN | ON SITE |
|-------------------------|-----|---------|----------|---------|
| Sewer Lines | | | | |
| Pump Stations | | | | |
| WTP | | | | |
| IWTP | | | | |
| Water Lines | | | | |
| Gas Distribution System | | | | |

Wastewater System

1. What is the average daily flow (gallons per day) processed for the referenced customer?
2. What is the dollar value of the capitol improvements made to the portion of the system used to provide service to the referenced customer for the total period of time service has been rendered?

Time _____ (yrs) \$ _____

3. On an annual basis what percent of the average daily flow is due to Inflow/Outflow for the reference customer? _____ (%)
4. Have capital improvements been completed that directly or indirectly reduced the amount of Inflow/Infiltration for the system serving the referenced customer?
Capital Improvements _____ (\$) % reduction in Inflow/Infiltration
_____ (%)

Water System

1. Quantity of w/ww service provided to the customer?
2. Who owns the treatment plant, distribution/collection system?

Evaluation Factors for Award

M.1 Introduction

This section outlines factors and subfactors the Government will consider in evaluating Offerors' Statements of Qualifications (SOQs) and proposals submitted in response to the solicitation for the privatization of utility systems at 910AW Youngstown Air Reserve Station, Ohio.

The evaluation factors are intended to cover the scope of the evaluation to be performed on proposals submitted in response to the Request for Proposal (RFP). Section L, *Instructions, Conditions, and Notices to Offeror's* of this RFP, defines the submission requirements from each Offeror for this evaluation. Section C, *Descriptions/Specifications/Work Statement*, of this RFP, provides details regarding specific utility systems at the installation.

M.2 Reserved

M.3 Basis for Contract Award

M.3.1 Procedure

A detailed evaluation will be performed on each proposal submitted. The award will be based on an integrated assessment of the criteria set forth below to determine the proposal most advantageous to the Government. The lowest priced proposal may not necessarily receive the award; likewise, the highest rated technical proposal may not necessarily receive the award. Final selection will be based on the proposal determined to provide the greatest value to the Government based on technical, management, and cost/financial capabilities necessary to fulfill the requirements of the contract. An award may only be made if (1) the long-term economic benefit of the conveyance to the United States exceeds the long-term economic cost of the conveyance to the United States, and (2) the conveyance will reduce the long-term costs of the United States for utility services provided by the utility system concerned. These two criteria must be met for each separate utility system, whether bundled or not, or no award will be made. In addition, the Government must be confident that any otherwise qualified award will also result in adequate long-term performance by the contractor or the Government may choose to make no award at all.

M.3.2 Contract Award

Subject to paragraph M.3.1, *Procedure*, a contract will be awarded to the Offeror who is deemed responsible in accordance with FAR 9.1, whose proposal conforms to the solicitation requirements, such as terms and conditions (see L.8.2), representations and certifications, and technical requirements and is judged to represent the best value to the Government. The best value is demonstrated by the Offeror providing the technical, management, and cost/financial capabilities necessary to fulfill the requirements of the contract by assuming total ownership of the Government's utility system. The best value is judged by an integrated assessment of the Evaluation Factors and Subfactors listed below to be the most advantageous to the Government.

The evaluation factors provide the baseline or required minimums (thresholds) for performance but not any desirables (objectives). Any features that enhance performance shall be considered in the best value determination. Subjective judgment on the part of the Government is implicit in the source-selection process. The Government shall also consider how well the Offeror complies with Section L instructions when evaluating an Offeror's capability. For a proposal to result in an awardable contract, the proposal shall meet all technical requirements and conform to all required terms and conditions, to include all required certifications, and meets the requirements of 10 USC § 2688.

M.3.3 Criteria for Conveyance

In accordance with 10 USC § 2688, authority to privatize a utility system is subject to the action being in the long-term economic interest of the Government, as noted in paragraph M.3.1, *Procedure*. For the purposes of satisfying this requirement, Offeror's price proposal for the purchase of the system and proposed cost of utility service (Schedule B-2) must provide the Government with greater economics. Economics will be determined over a life-cycle cost analysis term of 50 years. In order to satisfy the statute, the net present value of private ownership costs must be less than the cost of continued Government ownership. The private ownership costs will be determined as defined in provision L.9.6, *Detailed Instructions for Price Proposal*. Offerors who do not meet the economic criteria after negotiations may not be considered further.

M.4 Evaluation Factors and Subfactors

The five evaluation factors are Mission Capability, Past Performance, Proposal Risk, Socioeconomic Plan and Price. The evaluation factors and subfactors are as follows:

- Factor 1: Mission Capability
 - Subfactor 1: Service Interruption/Contingency Plan
 - Subfactor 2: Quality Management Plan
 - Subfactor 3: Capital Upgrades and Renewals and Replacements Plan
 - Subfactor 4: Operational Transition Plan
 - Subfactor 5: Financial Capability
- Factor 2: Past Performance
- Factor 3: Proposal Risk
 - Subfactors Identical to Factor 1
- Factor 4: Socioeconomic Plan
- Factor 5: Price

M.4.1 Order of Importance for Evaluating Factors and Subfactors:

Mission Capability, Past Performance, and Proposal Risk are of equal importance. Socioeconomic Plan is least important. When combined Mission Capability, Past Performance, Proposal Risk, and Socioeconomic Plan are significantly more important than Price.

Mission Capability and Proposal Risk will be evaluated at the subfactor level. Under Mission Capability and Proposal Risk, Subfactors 1 and 2 are the most important and of equal importance. Subfactors 3, 4, and 5 are of equal importance but less important than Subfactors 1 and 2.

M.4.2 Mission Capability

The Mission Capability subfactors will each be assigned a color and proposal risk rating (as described in paragraph M.4.2.7 and paragraph M.4.4.1 below). The following are the subfactors:

M.4.2.1 Subfactor 1: Service Interruption/Contingency Plan

Offerors will be evaluated on their proposed Service Interruption/Contingency Plan IAW Section C, *Description/Specifications/Work Statement*, paragraph C.7, *Service Interruption/Contingency Plan*, the applicable requirements of paragraph C.8, *Routine, Urgent, and Emergency Repair Response*, and the following.

The plan will be evaluated on the adequacy of both of the following:

1. Proposed emergency, urgent, and routine response procedures
2. Proposed procedures to deal with contingencies such as but not limited to:
 - Acts of God
 - Natural disasters
 - Equipment failure
 - Employee strikes
 - Default/bankruptcy
 - Cease-and-desist NOV's issued by a regulatory agency

To meet the minimum requirements of this subfactor, the proposed plan must ensure adequate means for responding within the time constraints established in paragraph C.8, *Routine, Urgent, and Emergency Repair Response*.

M.4.2.2 Subfactor 2: Quality Management Plan

Offeror's proposed Quality Management Plan will be evaluated to assess the following:

1. How well the Offeror's implementation procedures meet their proposed performance standards and/or specifications.
2. The Offeror's policies and procedures for operation and maintenance of the system.
3. Receipt of widely recognized quality awards or certifications.
4. Demonstration of the Offeror's Quality Philosophy to include a clear process for obtaining customer feedback and the ability to translate that feedback to appropriate process improvements.
5. Proposed Staffing Plan, which clearly defines the qualifications of each staff position for the operation of the utility system. The staffing plan shall also identify training and certifications required for each staff position and the Contractor's approach to ensuring personnel are current in training and certifications.
6. Proposed system of performance metrics, inspections, and record keeping.

7. Ability of the offeror to provide a comprehensive Environmental Compliance Plan (only applicable to wastewater systems) from waste generation through waste discharge or disposal.
8. Proposed plans for providing certification/upgrade and proficiency training for military personnel, if required, in accordance with Paragraph C.14.

To meet the minimum requirement of this subfactor, the Offeror must define appropriate standards and/or specifications for day-to-day operations and maintenance, proposes a formal program that makes quality an integral part of daily work, establishes a process to use performance metrics for continuous improvement, and, as applicable for wastewater systems, defines procedures for environmental compliance.

M.4.2.3 Subfactor 3: Capital Upgrades and Renewals and Replacements Plan

The adequacy of offerors proposed Capital Upgrades and Renewals and Replacements Plan will be evaluated to assess how well it satisfies applicable provisions of Section C, *Description / Specifications/ Work Statement*, paragraph C.11.2, *Capital Upgrades and Renewals and Replacements Plan* and C.13, *Transition Plan*. The plan will be evaluated for the proposed means and methods for ensuring a long-term efficient system.

M.4.2.4 Subfactor 4: Operational Transition Plan

Offerors shall be evaluated for their proposed Operational Transition Plan, IAW Section C, *Description/Specifications/Work Statement*, paragraph C.13, *Transition Plan*. The plan will be evaluated for adequacy in maintaining the continuous utility service and minimizing service impacts, while effectively transferring responsibility and accountability for utility system capital assets, permits, personnel resources, administration, and other system responsibilities, and for consideration of existing employees for hire. The operational transition plan should demonstrate a time phased process for:

1. Transition of system operations including procedures for operation and maintenance during the transition.
2. The Offeror's plans for onsite familiarization.
3. Time phase plan for implementing new connections and new meter requirements.
4. The Offeror's approach and time schedule for obtaining any required operating permits.
5. The Offeror's approach for inventory and logistics of transfer of utility system assets (fixed and non-fixed), manuals, and records.

M.4.2.5 Subfactor 5: Financial Capability

Offerors shall describe in detail their capability to finance the utility system purchase price, CIAC tax payment and capitalization principal, renewals and replacements, and upgrades. At a minimum, the Offeror shall submit the following criteria for the past five years; Interest Coverage, Funds from Operation (FFO) to Interest Ratio, FFO to Total Debt Percentage, Total Debt to

Total Capital Ratio (Debt Ratio), and Disaster Recovery Ratio (DRR), in order to accurately characterize the Offeror's financial condition. Failure to supply this information is sufficient to disqualify a proposal from further consideration.

The Offeror's financial capability will be evaluated for stability and adequacy to meet the long-term capital and cash needs to own, operate, and maintain the utility system(s). This is to be reflected in documented evidence that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements needs of the utility system both now and in the future.

M.4.2.7 Mission Capability Ratings

Offerors' proposals will be evaluated based upon the above Mission Capability-specific subfactors. Mission Capability subfactors will be assigned one of the following color evaluation ratings. The color/adjectival rating depicts how well the Offeror's proposal meets the evaluation subfactors and solicitation requirements.

| Color | Rating | Definition |
|--------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Blue | Exceptional | Exceeds specified minimum performance or capability requirements in a way beneficial to the Government |
| Green | Acceptable | Meets specified minimum performance or capability requirements necessary for acceptable contract performance |
| Yellow | Marginal | Does not meet some specified minimum performance or capability requirements necessary for acceptable contract performance, but any proposal inadequacies are correctable |
| Red | Unacceptable | Fails to meet specified minimum performance or capability requirements. Proposal with an unacceptable rating are not awardable |

M.4.3 Past Performance

This factor will be evaluated as a measure of the Government's confidence in the Offeror's ability to successfully perform based on current and previous (within the past 5 years) contract efforts. In assessing past performance, the Government will use past performance data to evaluate the Offeror's ability to perform the contract based on the Mission Capability subfactors. The recentness and relevancy of the past performance will be critical in determining the overall performance rating.

In determining relevancy of a proposed contract, the Government will consider the experience in owning and/or operating and/or maintaining utility systems of similar size and complexity as the DoD systems included in this RFP as proposed on by the Offeror. In evaluating this factor, the Government will use the present and past performance information gathered from offeror-provided references (Section L, Attachment 1).

An Offeror with no relevant past performance history may receive a rating of neutral/unknown confidence. However, a higher-than-neutral rating may be achieved if the Offeror proposes management personnel who have a successful record of performance on relevant and recent contracts, or if a proposed subcontractor (who will be performing a significant portion of the work) has a "very good" or better performance history on relevant and recent contracts.

In addition, the Government may use information gained from other sources known to the Government to evaluate past performance, provided such information is recent (within the past 5 years).

The confidence assessment represents the Government evaluation team's judgment of the probability of an Offeror successfully accomplishing the proposed effort based on the Offeror's demonstrated present and past performance. Past performance will receive an overall factor rating.

M.4.3.1 Past Performance Ratings

Each proposal will be assigned a rating based on the following definitions:

| Rating | Definition |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exceptional/High Confidence | Based on the Offeror's performance record, essentially no doubt exists that the Offeror will successfully perform the required effort. |
| Very Good/Significant Confidence | Based on the Offeror's performance record, little doubt exists that the Offeror will successfully perform the required effort. |
| Satisfactory/Confidence | Based on the Offeror's performance record, some doubt exists that the Offeror will successfully perform the required effort. |
| Neutral/Unknown Confidence | No performance record identifiable (see FAR15.305[a][2][iii] and [iv]). |
| Marginal/Little Confidence | Based on the Offeror's performance record, substantial doubt exists that the Offeror will successfully perform the required effort. Changes to the Offeror's existing processes may be necessary to achieve contract requirements. |
| Unsatisfactory/No Confidence | Based on the Offeror's performance record, extreme doubt exists that the Offeror will successfully perform the required effort. |

M.4.4 Proposal Risk

This factor focuses on the risks, weaknesses, and strengths associated with an Offeror's approach and experience. Proposal risk will be assessed at the Mission Capability subfactor level.

Proposal risk represents the risks that are identified with an Offeror's proposed approach and experience as it relates to accomplishing the requirements of the solicitation.

M.4.4.1 Proposal Risk Ratings

Each subfactor under Mission Capability will be assigned one of the following proposal risk ratings:

| Rating | Definition |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| High Risk | Likely to cause significant disruption of schedule, increased cost, or degradation of performance. Risk may be unacceptable even with special Contractor emphasis and close Government monitoring. |
| Moderate Risk | Can potentially cause some disruption of schedule, increased cost, or degradation of performance. However, special Contractor emphasis and close Government monitoring will probably be able to overcome difficulties. |
| Low Risk | Has little potential to cause disruption of schedule, increased cost, or degradation of performance. Normal Contractor effort and normal Government monitoring will probably be able to overcome difficulties. |

M.4.5 Socioeconomic Plan

The Socioeconomic Plan will be evaluated based on the extent to which an Offeror's proposal demonstrates the commitment to use, in performance of the offered requirements, Small Businesses, Historically Black Colleges/Universities or Minority Institutions (HBCUs/MIs), and/or HUBZone Small business concerns.

M.4.6 Price

The total evaluated price will not be rated or scored, but will be a consideration in the final source-selection decision. The total evaluated price (Schedules B-2 and L-3) will be the net present value of the stream of monthly payments the Government is expected to make to the Contractor over the 50-year contract period. Each monthly payment will be calculated by crediting the total monthly payment (the Fixed Monthly Charge including applicable capital upgrades and initial renewals and replacements and the recoverable portion of the purchase price expressed in Schedule L-3) by the extended purchase price Sub-CLIN AA. Present values will be calculated using the discount rate specified in Appendix C of OMB Circular A-94 (current issue at the time proposals are due). The price proposal shall comply with the provision L.9.6, *Detailed Instructions for Price Proposal*.

M.4.6.1 Price Realism

The price factor will be evaluated for reasonableness and realism in accordance with FAR Part 15. Realism will be based on an evaluation of the cost information provided in support of the offered price to determine if the costs reflect a clear understanding of the requirements; are consistent with the various elements of the offer's technical proposal; are not unbalanced; and are neither excessive nor insufficient for the effort to be accomplished. Reasonableness will be determined based on prices submitted by the competition, current market conditions, and comparison to the estimate of the cost of Government ownership, as appropriate.

M.4.6.2 Accounting System

The Offeror's proposed accounting system will be evaluated for acceptability.

M.4.6.3 Comparison of Offered Prices with the Government Estimate

In accordance with 10 USC 2688, authority to privatize a utility system is subject to the action being in the long-term economic interest of the Government. Further, the authority requires that the action reduce the long-term cost to the Government. To determine whether that criteria is met, the Government will use the CLIN data in Schedule B-2 and information provided in the price proposal, per section L.9, to develop a projected 50-year cash flow associated with the Offeror's proposal.

The Government will prepare a cash flow projection of its net costs under two scenarios: 1.) continuation of the status quo and 2.) privatized service provided under the prices submitted in Sections B and Section L. In preparing these cash flow projections, it will be assumed that the Air Force's operating and capital costs will be subject to price inflation. Similarly, it will be assumed that base costs from Schedule L-1 included in Sub-CLIN AB will also be adjusted according to cumulative price inflation incurred at every scheduled year of price redetermination. However, costs included in Sub-CLIN AB from Schedule L-3 will not be adjusted for price inflation. The respective 50-year cash flow forecasts will be used in a life cycle cost analysis to determine the Air Force's net long term costs for each of the two alternatives. In conducting the life-cycle cost analysis, the present value of each cash flow will be calculated at the discount rate specified in Appendix C of the Office of Management and Budget (OMB) Circular

A-94 that is current at the time proposals requested herein are due. The present value of the status quo scenario will be compared to the present value of the privatized scenario to determine if long term costs to the Government would be reduced. In accordance with 10 USC § 2688, authority to privatize a utility system is subject to the action being in the long-term economic interest of the Government. To determine whether that criteria is met, the Government will use the CLIN data in Schedule B-2 and information provided in the price proposal, per Paragraph L.9, to develop a projected 50-year cash flow.

The present value of the projected cash flow will be calculated and compared to the present value estimate for a 50-year cash flow for Government ownership and operations and maintenance. Present values will be calculated at the discount rate specified in Appendix C of the Office of Management and Budget (OMB) Circular A-94 that is current at the time proposals requested herein are due.

Schedule B-2

Each Sub-CLIN will be extended according to the following to arrive at an annual value:

Sub-CLIN AA – Monthly Credit as Payment for Purchase Price:

(Amortization of the purchase price calculated as a monthly credit against the Fixed Monthly Charge of the utility service). Monthly amortization values will be calculated for the time period and at the annual interest rate proposed by the Offeror. The monthly rate will be multiplied by 12 months to reach the annual cost. After the time period proposed by the Offeror expires, this portion of the monthly fixed rate will be removed from the cash-flow projection.

Sub-CLIN AB – Fixed Monthly Charge: The Fixed Monthly Charge will be multiplied by 12 months to reach the annual cost. The annual Fixed Monthly Charge will be included in each year of the cash-flow projection. For the 50 year projected cash flow, the capital upgrade costs listed in the price proposal (Schedule L-3) will be added to the Fixed Monthly Charge in Schedule B-2 when the estimated completion date of the upgrade occurs and will be removed after the number of months proposed elapses. The recoverable portion of the purchase price listed in the price proposal (Schedule L-3) will be added to the Fixed Monthly Charge in Schedule B-2 for the number of months proposed by the offeror.

Sub-CLIN AC - Credit to the Government: Credits will be evaluated for reasonableness and realism.

M.5 Subcontracting Plan

The Subcontracting Plan will be evaluated separately for compliance with the requirements of FAR 52.219-9, DFARS 219.705-4, and the statutory goal applicable to all federal agencies of 23 percent commitment of total subcontracting dollars to small businesses. Of the 23 percent, 5 percent shall be committed to SDBs, 5 percent to Women-Owned Businesses, and 1.5 percent to HUBZones. If the Offeror cannot meet any or all of the goals specified, complete rationale/justification shall be provided.

M.6 Source-Selection Organization

The source-selection organization is established as a separate organization and management chain of command whose only purpose is to accomplish the above objectives. The organization consists of a source-selection authority and a source-selection evaluation team.